



Discussion Paper:

# Rights-based Legal Guarantee as Development Policy:

## The Mahatma Gandhi National Rural Employment Guarantee Act



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## Foreword

Set within a rights-based framework, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a pioneering legislation that guarantees wage employment at an unprecedented scale and is path-breaking in its pro-poor vision.

The United Nations Development Programme (UNDP) in India has keenly partnered with the Ministry of Rural Development, Government of India, since the inception of Mahatma Gandhi NREGA to support implementation and monitoring. UNDP has facilitated awareness of the programme and demand for work amongst communities; provided technical expertise in key functional areas; facilitated civil-society engagement in assessment and learning; national and global knowledge sharing; and supported innovative approaches to strengthen transparency and accountability.

This discussion paper -- *Rights-based Legal Guarantee as Development Policy: The Mahatma Gandhi National Rural Employment Guarantee Act* -- is part of a series that UNDP has commissioned on a range of development issues in India.

As the programme continues to gain momentum across India, the paper examines the legal design and policy innovations and the extent to which they enable fulfillment of the objectives of the Act. I complement the author on this comprehensive analysis of Mahatma Gandhi NREGA design and paradoxes that face policy makers in efforts to implement an Act. The perspectives offered here will no doubt resonate with policy formulation efforts underway in other development contexts.

Through this discussion paper, the intention is to share information and experiences from within India and provide a platform for further dialogue on employment guarantee programmes globally as well. Going forward, UNDP will focus its efforts on establishing strategic partnerships to enable India to share its wealth of expertise on poverty reduction with other countries.



Patrice COEUR-BIZOT  
UN Resident Coordinator &  
UNDP Resident Representative





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## List of Abbreviations

ASCI	Administrative Staff College of India
ATM	Automated Teller Machine
BDO	Block Development Officer
BPL	Below Poverty Line
CAG	Comptroller and Auditor General
CEGC	Central Employment Guarantee Council
CPI-AL	Consumer Price Index-Agricultural Labour
CSE	Centre for Science and Environment
CSO	Civil Society Organisation
DPAP	Drought Prone Areas Programme
DPC	District Programme Coordinator
DRDA	District Rural Development Agency
EAS	Employment Assurance Scheme
FIR	First Information Report
GIZ	Deutsche Gesellschaft fur International Zusammenarbeit
GoI	Government of India
GP	Gram Panchayat
GRS	Gram Rozgar Sahayak
GS	Gram Sabha
ICDS	Integrated Child Development Scheme
ICT	Information and Communication Technology
IEC	Information Education and Communication
IGA	Inter Governmental Agency
IIM	Indian Institute of Management
IIT	Indian Institute of Technology
ILO	International Labour Organisation
IP	Intermediate Panchayat
ISWSD	Indian School of Women's Studies Development
IT	Information Technology
KVK	Krishi Vikas Kendra
MDGs	Millennium Development Goals
MEGS	Maharashtra Employment Guarantee Scheme
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MIS	Management Information System
MLA	Member Legislative Assembly
MoRD	Ministry of Rural Development
MP	Member of Parliament
NEGF	National Employment Guarantee Fund
NFFWP	National Food For Work Programme
NGO	Non- Governmental Organisation
NIRD	National Institute of Rural Development
NREGS	National Rural Employment Guarantee Scheme
NRLM	National Rural Livelihood Mission

NRHM	National Rural Health Mission
NSSO	National Sample Survey Organisation
OBCs	Other Backward Classes
PEO	Programme Evaluation Office
PMGSY	Pradhan Mantri Grameen Sadak Yojana
PRIs	Panchayati Raj Institutions
PO	Programme Officer
PSU	Public Sector Undertaking
RSBY	Rashtriya Swasthya Bima Yojana
RSVY	Rashtriya Sam Vikas Yojana
RTI	Right to Information
SBI	State Bank of India
SCs	Scheduled Castes
SEGC	State Employment Guarantee Council
SGRY	Sampoorna Grameen Rozgar Yojana
SGSY	Swarnjayanti Gram Swarozgar Yojana
SHGs	Self Help Groups
SSA	Sarv Shiksha Abhiyaan
STs	Scheduled Tribes
UIDA	Unique Identification Development Authority
UNDP	United Nations Development Programme
UPA	United Progressive Alliance
UT	Union Territory
WEP	Wage Employment Programme
ZP	Zila Parishad

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# Rights-based Legal Guarantee as Development Policy: The Mahatma Gandhi National Rural Employment Guarantee Act

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## Abstract

This paper seeks to critically examine the Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA)<sup>2</sup> as a rights-based legal framework for guaranteeing basic livelihood security to rural households. The main concern of the paper is to examine the legal design and policy innovations and the extent to which they facilitate the fulfilment of the objectives of the Act. The issues discussed in the context of Mahatma Gandhi NREGA as a rights-based law may be pertinent to policy formulation in other development contexts.

In examining the rights-based framework of Mahatma Gandhi NREGA, the following questions arise:

- a. What rights are being recognised?
- b. What are the processes for realising them? Are these feasible?
- c. What obligations are created by such processes upon the State and the citizen?
- d. What are the challenges to the administrative systems in implementing programmes governed by legal frameworks?
- e. What kinds of negotiations are possible to balance the mandatory nature of law and the flexibility desired of a development programme?

The discussion of Mahatma Gandhi NREGA in terms of its design and key factors that constrain and facilitate the achievement of its objectives engages with these questions. It suggests possibilities of reviewing some aspects of the Act as well as offers insights to similar policy exercises.

Mahatma Gandhi NREGA belongs to a long history of wage employment programmes. The most significant features of Mahatma Gandhi NREGA are that it creates a rights-based framework and that it is a law. Backed by political will and adequate budget resources from the Government of India (GoI), the implementation of the Act has yielded encouraging results, despite an uneven performance across the country. Initial studies vindicate its effect in augmenting employment, increasing wage earnings, stemming distress migration, enhancing productivity and promoting equity, especially gender equity. This Act for unskilled manual labour is ushering in a new era of technology and financial inclusion for rural communities.

Mahatma Gandhi NREGA, designed primarily as a social safety net, has the potential to transform rural India into a more productive, equitable, connected society. Mahatma Gandhi NREGA is located in the policy response of the Indian government to a situation of poverty and

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<sup>2</sup> Mahatma Gandhi National Rural Employment Guarantee Act, 2005 was enacted by the Parliament of India on September 7th 2005, with the objective of enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage.

inequality, by focusing on inclusive growth. There has also been a growing policy engagement with the rights regime witnessed by the formulation of rights-based laws as policy instruments. The Right to Information Act 2005, the Forest Rights Act 2009, and recently the Right to Education Act 2009 with the Food Security Bill (in the offing) are examples of the shift from a policy based on the perception of development as a welfare activity of the government to a policy that recognises basic development needs as rights of the citizens. This compels a commitment of resources by the government, even challenging some of its existing systems. Mahatma Gandhi NREGA came in this context of radicalisation of State policy, foregrounding its obligation as a law.

Mahatma Gandhi NREGA works because it is a law backed by political will. It has excited the imagination of political parties across States. Built on the pivotal authority of the local bodies, the Act strengthens grassroots democratic processes. The Act engages with rights-based processes that challenge existing systems and relationships. Transparency and public accountability are integral to it, expressed through social audits, proactive disclosures and records that are freely accessible to all. The effort to fulfil legal obligations splits open the multiple dilemmas of the delivery system. The search for their denouement provides an opportunity for governance reform and to re-define the State not just as government but as inclusive of civil society. The Act profiles the Janus face of the State seeking to balance legal enforcement and adherence to regulatory norms with support to innovative impulses forging creative solutions to development challenges.

Administering a demand-based programme has spawned a number of policy and practice innovations such as labour budgets, inter-sectoral convergence, interactive information and Information Communication Technology (ICT) for data management and citizen feedback, and various ways of social mobilisation.

The Act poses several significant questions and its rights-based approach has the courage to invoke and attempt to negotiate a set of paradoxes, emanating from historical legacies of social inequality and hierarchical dependencies. Exercising rights, making choices, wresting entitlements from entrenched systems requires capabilities and most wage seekers lack these. How can they avail of the rights invested in them by the Act? There are no simple solutions. But the discourse on rights and the related search for appropriate instruments for historically disempowered groups to articulate them vis-à-vis established structures may well prove to be radical shifts in the very understanding and functioning of conventional government structures, besides giving agency to those belonging to the marginalised sections of society. The Act also provokes the question – can a social safety net also become an impetus to economic development? Its implementation is an answer in the affirmative. The right to employment has a bi-focal lens: work that helps earn wages and creates durable productive assets. Mahatma Gandhi NREGA works focus on natural resource regeneration and so augment productivity. They have to be executed manually and so enhance wage security. Typically, Mahatma Gandhi NREGA works have ranged from digging ponds, small bunds, land development, afforestation; often requiring repeated activity on the same work. Green jobs under Mahatma Gandhi NREGA make it an exemplar model of adaptation to climate change. Evidence of the suitability of the choice of work in terms of ecological-contextual needs and its usefulness is emerging. There is a need to quantify the environment services of the rural poor rendered under this Act.

The way ahead is to (a) build capacity of the system to deliver a legal guarantee (b) develop capabilities of the people to demand their rights and hold the government accountable (c) revisit the Act to make it an instrument for more sustainable development.

# 1. Rights, Law and Development

The paper seeks to examine Mahatma Gandhi NREGA as a rights-based legal framework for guaranteeing basic livelihood security to rural households. The main concern of the paper is to analyse the legal design and policy innovations, and the extent to which they facilitate the fulfilment of the objectives of the Act. The discussion raises some issues that may be pertinent to rights-based promotion of development goals. In examining the rights-based framework of Mahatma Gandhi NREGA, the following questions arise:

- a. What rights are being recognised?
- b. What are the processes for realising them? Are these feasible?
- c. What obligations are created by such processes upon the State and the citizen?
- d. What are the challenges to the administrative systems in implementing programmes governed by legal frameworks?
- e. What kind of negotiations are possible to balance the mandatory nature of law and the flexibility desired of a development programme, especially in a federal structure and a context
- f. Is it possible for different sets of rights to be guaranteed in isolation from each other?

The discussion of Mahatma Gandhi NREGA in terms of its design and key factors that constrain and facilitate the achievement of its objectives engages with these questions, suggesting possibilities of reviewing some aspects of the Act as well as hoping to offer insights to similar policy exercises.



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## 2. Policy Context

Poverty in India declined from 36 percent in 1993-1994 to 28 percent in 2004-2005<sup>3</sup>.

However, close to 300 million people still live in chronic poverty on less than one dollar a day. Recent assessments of poverty by the Suresh Tendulkar Committee place 37% below poverty line.<sup>4</sup> The World Bank estimates the BPL population at 40%.<sup>5</sup> Unemployment and out of labour-force days of rural agricultural labourers is 104 days (76 days for male and 141 days for female). Extensive erosion of the natural resource base over the last 50 years has resulted in some of the worst natural disasters adversely impacting agricultural productivity and employment opportunities. Growing poverty and unemployment have led to the fragmentation of land and an increase in number of agricultural labourers. Agricultural labour increased significantly from 7.08 million in 1981 to 121 million in 2008<sup>6</sup>. At the same, the percentage of operational land holdings under small and marginal farmers has gone up from 70 percent in 1971 to 82 percent in 2001<sup>7</sup>. The policy response to a situation of poverty and inequality has focused on inclusive growth. The architecture of inclusive growth is defined by prioritising key result areas through major programmes aiming at time-bound delivery of outcomes, viz. infrastructure through Bharat Nirman, human resource development through Sarva Shiksha Abhiyan (SSA) and National Rural Health Mission (NRHM)<sup>8</sup>, and livelihoods through Mahatma Gandhi NREGA. There has also been a greater concern for social security measures.

There has also been a growing policy engagement with the rights regime witnessed by the formulation of rights-based laws as policy instruments. The Right to Information (RTI) Act 2005, the Forest Rights Act 2009, and most recently the Right to Education Act 2009 with the Food Security Bill (in the offing) are examples of the shift from a policy of development as a welfare activity of the government to a policy that recognises basic development needs as rights of the citizens, a compelling commitment of resources of the government, even challenging some of its existing systems. Mahatma Gandhi NREGA came in this context of policy radicalisation, foregrounding development action as legal obligation.

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<sup>3</sup> Planning Commission.

<sup>4</sup> Report of the Suresh Tendulkar Committee.

<sup>5</sup> World Bank Development report <http://vivekitam.wordpress.com/2011/01/14/a-paperback-analysis-of-nacs-food-security-proposal-part-2/>.

<sup>6</sup> NCEUS (2007): Report on Conditions of Work and Promotion of Livelihoods in the Unorganised Sector.

<sup>7</sup> Ibid.

<sup>8</sup> Bharat Nirman, SSA, NRHM are Indian Government flagship programme.

### 3. The Law and its objective

Mahatma Gandhi NREGA was enacted on 7 September 2005 as “An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household.”

The instrument of employment are works listed under the Act Schedule I in order of priority and include (i) water conservation and water harvesting; (ii) drought proofing (including afforestation and tree plantation); (iii) irrigation canals including micro and minor irrigation works; (iv) provision of irrigation facility, horticulture plantation and land development facilities to land owned by households belonging to the Schedule Castes (SCs) and Schedule Tribes (STs) or below poverty line (BPL) families or to the beneficiaries of land reforms or to the beneficiaries under the Indira Awas Yojana of Gol or that of the small farmers or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008; (v) renovation of traditional water bodies including desilting of tanks; (vi) land development; (vii) flood control and protection works including drainage in water logged areas; (viii) rural connectivity to provide all-weather access; and (ix) any other work which may be notified by the central government in consultation with the state government. Recently, the Ministry of Rural Development (MoRD) has notified the construction of village and block level knowledge centres (Bharat Nirman Rajiv Gandhi Sewa Kendras) as permissible work.

The Act was implemented in a phased manner with 200 districts in the first phase being notified on 2 February 2006, followed by another 130 from April 2007, and in the remaining districts with effect from 1 April 2008. The Act is now effective in the rural areas of the entire country, covering 619 districts. The phased implementation was based on a criterion of backwardness formulated by the Planning Commission<sup>9</sup>, Gol that used a mix of demographic, social and economic indices. These included the percentage of ST and SC population, agricultural productivity of the district and the prevalent notified minimum wages for agricultural labourers in the state. This ranking was used to select 150 districts for the National Food for Work Programme (NFFWP)<sup>10</sup> introduced in 2004. These districts were part of the first phase of 200 districts notified under Mahatma Gandhi NREGA. The districts taken up in the first phase were selected, not serially, but state-wise so that all states were represented. Significant in this identification is that the districts selected in the first phase were dominantly tribal, low productivity districts. Almost 50 percent of the Drought Prone Areas Programme (DPAP)<sup>11</sup> districts were included indicating that the perception of Mahatma Gandhi NREGA was clearly oriented towards rain-fed areas as the geography of poverty, and the socio-economically weak groups as the sociology of poverty.

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<sup>9</sup> Report of the Task Force, Identification of Districts for Wage & Self Employment Programmes: Planning Commission, May 2003.

<sup>10</sup> Report of Planning commission on National Food for Work Programme.

<sup>11</sup> Drought Prone Areas Programme (DPAP) is the earliest area development programme launched by the central government in 1973-74 to tackle the special problems faced by fragile areas that are constantly affected by severe drought conditions. Presently, 961 blocks of 180 districts in 16 states are covered under the programme.

## 4. The Mahatma Gandhi NREGA Design

Mahatma Gandhi NREGA belongs to a long history of wage employment programmes. The most significant features of the Mahatma Gandhi NREGA are that it creates a rights-based framework and that it is a law. Its main instruments for articulating a rights-based approach are: (i) documents like job cards that are the workers' documents for asserting her rights; (ii) exercise of choice by workers; (iii) time-limits on the government for fulfilling guarantees; (iv) social audits; and (v) compensation/penalties.

The process of application for work is the basic premise for the assertion of rights. Wage seekers have the right to apply for registration in their local body or Gram Panchayat (GP)<sup>12</sup> if they want to be eligible for employment under the Act. Following registration, the applicants are entitled to receive job cards. The job card is the basic physical instrument that enables an applicant to demand work and also the worker's record of rights. For availing employment under Mahatma Gandhi NREGA, the job card holder has to submit a written application for employment to the GP or to the Programme Officer (PO) at the block level, specifying the period for which employment is being sought. This right to demand employment as and when needed is acknowledged through a dated receipt issued by the GP or the PO. This initiates the guarantee process in response to the demand. The right to receive employment is guaranteed through timelines: 15 days to allocate employment, 15 days to make payments. Correlated guarantees relate to violation of these rights: an unemployment allowance to the job card holder who has demanded employment, in case of delay in employment allocation, to be paid by the respective state government, and INR 1,000 (US\$ 22) as fine on those who violate the Act. Rights under the Act are further safeguarded through social audits and proactive disclosure. The rights-based design of Mahatma Gandhi NREGA has a genesis in preceding wage employment programmes. This is shown in Annexures I, II and III. Mahatma Gandhi NREGA harked back to a much earlier Employment Assurance Scheme (EAS)<sup>13</sup>. Implemented in all the rural blocks of the country the EAS shared primary features with Mahatma Gandhi NREGA including demand for work, the provision of 100 days employment, and the nature of works. The implementation of EAS put forth certain challenges as reported by the Programme Evaluation Organisation of the Planning Commission. These related to planning, record maintenance, monitoring, fund release and utilisation. The physical and financial performance of EAS indicated inconsistent fund utilisation from one financial year to the next. The factors responsible for this inconsistency, according to the Planning Commission, included non-availability of timely funds from the state non-disbursal of funds according to entitlement from the districts to blocks, and non-receipt of utilisation certificates. Some of these limitations were addressed in the Mahatma Gandhi NREGA, for instance, by involving potential wage

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<sup>12</sup> Gram Panchayat is the village level unit of local self- government in rural India as the part of the Panchayati Raj which is the three-tier system of local self- government. "Panchayat" literally means assembly (*yat*) of five (*panch*) wise and respected elders chosen and accepted by the village community.

<sup>13</sup> EAS was launched on 2 October 1993 in 1,778 backward blocks of different states. The blocks selected were in drought-prone, desert, tribal and hilly areas. Later, the scheme was extended to the remaining blocks of the country in a phased manner. At present, the scheme is being implemented in all the rural blocks of the country. The programme was restructured later. The primary objective of the EAS is to provide gainful employment during the lean agricultural season in manual work to all able-bodied adults in rural areas who are in need and desirous of work, but cannot find it.



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seekers and users of assets in the planning of projects. Gram Sabhas (GS)<sup>14</sup> were vested with the task of preparing a shelf of projects. Social audits and proactive disclosures were introduced as legal provisions. Mahatma Gandhi NREGA made the demand factor a conscious strategy as a right to obtain employment. Financial obligations of both the central and the state governments are part of the legal framework. The Mahatma Gandhi NREGA guidelines also detail operational and administrative modalities of implementation seeking to address the limitations of the earlier wage employment programmes, placing great emphasis, for example, on planning processes, and Management Information System (MIS) for improving data management. The earlier Maharashtra Employment Guarantee Scheme (MEGS)<sup>15</sup> is also a forerunner of Mahatma Gandhi NREGA. Beginning as a programme in 1965, MEGS became a state law in 1979. The MEGS guaranteed that every adult who wanted a job in rural areas would be given one, provided that the person was willing to do unskilled manual work on a piece-rate basis. The piece-rates were fixed so that an average person working diligently for seven hours a day would earn a wage equal to the minimum wage prescribed for agricultural labour for the concerned zone, under the Minimum Wages Act. To obtain employment under the scheme, individuals had to register with the local village authority, and submit a 'demand for work'. The local MEGS officer, *tahsildar*, ( a local revenue officer ) was then obliged to provide work within 15 days of receiving the demand. Failure to provide employment within this period entitled the person to an unemployment allowance. Participants were provided with certain on-site amenities. MEGS has now given way to Mahatma Gandhi NREGA in Maharashtra.

<sup>14</sup> The GS is the foundation of decentralised governance in India where elected representatives are directly and regularly accountable to the people. Meetings of the GS are convened to ensure the development of the people through their participation and mutual cooperation. The annual budget and the development schemes for the village are placed before the GS for consideration and approval.

<sup>15</sup> For further details, Programme Evaluation Organisation: Joint Evaluation Report on Employment Guarantee Scheme of Maharashtra, 1980, PEO Study No.113.



Almost all the rights-related features of Mahatma Gandhi NREGA were inherited from previous wage employment programmes. The impetus to recreate a WEP as law under Mahatma Gandhi NREGA, came from the political manifesto of the Congress party. There should, therefore not be any ambiguity regarding the ‘architect’ of the Mahatma Gandhi NREGA. So Mahatma Gandhi NREGA inherited a number of elements from previous programmes.

The NFFWP that was implemented as a precursor to Mahatma Gandhi NREGA in 150 backward districts shared only a few critical elements, like the choice of works, and did not, have a rights-based design. It neither assigned a principal role to local bodies, nor initiated a decentralised planning process. In fact, it even waived the role of the Panchayati Raj Institutions (PRIs) that they had in the Sampoorna Grameen Rozgar Yojana (SGRY)<sup>16</sup> – the other wage programme operating then. The NFFWP’s primary focus was also not on employment generation. It was a programme for works related to natural resource management. This was an opportunity lost. Had the Mahatma Gandhi NREGA design, especially its rights-based instruments, been tried out in the NFFWP, several problems and dilemmas that have emerged now would have been anticipated and modified where needed. Alternatively, some of the complex challenges inherent in the rights-based design and decentralised planning of the Mahatma Gandhi NREGA may have been acknowledged and prioritised. This would have paved the way for intensive and preparatory capacity -building on those processes perhaps leading to the condition that the Act would be notified only where suitable capacity building was evidenced as a commitment of the State to legal rights and obligations. The incentive to the state then would be the transition from a finite budget to an open-ended, demand-based budget – an opportunity, in fact, of strengthening the natural resource base of rural livelihood and offering a guaranteed social safety net to the rural poor.

Thus, the design constituents of Mahatma Gandhi NREGA were inherited from earlier wage employment programmes. However, since the conditions for implementing the rights-based processes of the Act were not necessarily universally or equally present, the implementation of the schemes under the Act, immediately after its notification, became the testing and training ground. Inevitably, violations of the legal provisions of the Act attracted considerable commentary. This is not an attempt to add to that commentary. The discussion here focuses on potential positive trends and constraints at this particular stage of implementation. Since there is considerable dynamism in the policy environment of the Act and in its programme implementation, the issues discussed here will need to be re-visited.

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<sup>16</sup> SGRY was launched to provide a greater thrust to additional wage employment, infrastructural development and food security in rural areas. The Employment Assurance Scheme (EAS), (the then only additional wage employment scheme for rural areas), the Jawahar Gram Samridhi Yojana (JGSY) (a rural infrastructure development scheme) were merged into one, launching the SGRY on 25 September 2001.

## 5. Early Trends and Outcomes

The Act, in its five years of rapid expansion from 200 to 625 districts, has provided evidence of positive outcomes, even though its performance across the country has been unequal. It is pertinent to look at the outcomes and trends because they prompt the questions discussed here – what factors have been facilitating and what factors have not. Outcomes need to be viewed as processes set in motion, as the Act is demand-based and there are no predetermined targets that it can be measured against. Some early trends are discussed below.

### 5.1 Augmenting Employment

#### i) Unskilled Labour

The rationale for the Act was augmenting employment as compared to the earlier Wage Employment Programmes. SGRY generated approximately 0.82 billion persondays all over the country. SGRY and NFFWP together generated 1.13 billion persondays. Mahatma Gandhi NREGA when it covered the entire country in 2008-2009 generated 2.16 billion persondays and in 2009-2010 2.83 billion persondays. The scheme has provided employment to around 52.5 million households (FY 2009-10).

#### ii) Skilled Labour

Mahatma Gandhi NREGA has opened up opportunities for large-scale employment of skilled manpower at the block/village levels in rural areas through large-scale deployment of mates, engineers, village assistants, accountants, IT personnel, for example, at the GP level: 0.16 million Gram Rozgar Sahayaks (GRS) were appointed, at the block level, 25,192 technical assistants, about 6,093 accountants and 9,828 computer assistants were appointed.

Employment opportunities for the educated and skilled are being promoted both directly within the administrative system of the scheme and indirectly in the form of business avenues opened up by Mahatma Gandhi NREGA in the postal network, financial and ICT services.



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### 5.2 Enhancing Income

The average wage rate earned rose incrementally from INR 65 (approx. US\$ 1.4) per day to INR 90 (approx. US\$ 2) per day from 2006 to 2010. The NSSO round (64th) ratifies the Mahatma Gandhi NREGA MIS data on the wage rate, indicating a wage rate of Rs. 75 per day.

### 5.3 Effective Targeting of Disadvantaged Groups

Trends show that it is the poorest of the poor and the most vulnerable groups who seek employment under the programme. The Mahatma Gandhi NREGA has been designed to allow women equity in both access to work and in the payment of wages. The participation of women in the workforce has surpassed the statutory minimum requirement of 33 percent and the trends also indicate an increase in the participation rate at the national level. Annexure V demonstrates an interesting situation where the participation of women in the workforce is high irrespective of the literacy levels of women. The participation rate of women in the financial year (FY) 2009-2010 and (FY) 2010-11 at the national level was 48 percent. This suggests the potential of Mahatma Gandhi NREGA as a local employment strategy for supplementing household income. It also suggests that the Mahatma Gandhi NREGA's design that has no pre-conditions, makes it eminently usable as a quick work choice for women and SC/ST groups. The design waives pre-requisite skills for being eligible for work. The only requirement is being willing to do 'unskilled manual labour'. This self-targeting, with no criteria of poverty or employment, and with the flexibility to drop in and drop out makes it easy for women to participate. Equal wages between men and women have also been a major incentive for women. The NSSO survey ( round 64th ) finds that there were no wage discriminations among women and men under Mahatma Gandhi NREGA, whereas, there were considerable wage disparities among men and women in all other programmes. In addition, work-site facilities now increasingly visible, also encourage women participation.

#### **Box 1: '... togetherness makes things work...' - Women on MGNREGA worksites**

The National Rural Employment Guarantee Scheme (NREGS) has turned out to be a 'ladies only' affair in Kuttichal panchayat, near Kattakkada in Kerala. Of the 2,500 job cards distributed in the panchayat, as many as 2,152 have been to women.

The GP president was worried because the unskilled work under the programme involved hard and heavy labour, which he supposed was beyond the capability of these women who had applied for a job card. "It is the togetherness that makes things work. The hard work is drowned in the fun. They talk a lot, laugh a lot and share secrets. Many of them have said they are doing this for the first time in their lives," said the chairperson of the area, Sreelatha.

"Most of the women who applied for job cards, more than even 90 percent of them, were housewives who had not done physical labour before. Until NREGS happened, I am sure most of them had not even ventured beyond their neighbourhood," Chandran said. On an average, five to six Mahatma Gandhi NREG works – digging of trenches and drains, revival of dead ponds, creation of fire-lines around tribal settlements – have already been taken up in all the 13 wards of the panchayat.

Source: Indian Express, 27 October 2009

Independent studies point towards positive trends and women empowerment as a result of Mahatma Gandhi NREGA. Studies by the National Federation of Indian Women (NFIW)<sup>17</sup> in Chhattisgarh, Madhya Pradesh, Orissa and Tamil Nadu state: "One of the most important observations is the emergence of women's identity and their

<sup>17</sup> 'A Study on Socio-economic Empowerment of Women under Mahatma Gandhi NREGA', National Federation for Indian Women, August 2008.



empowerment with the coming of Mahatma Gandhi NREGA as an economic opportunity provider. Respondents in all the states have been found to be very optimistic about the importance of Mahatma Gandhi NREGA in their lives. Rajnandgaon district in Chhattisgarh, stands out distinctively in this regard as 93 percent respondents are said to have taken the decision to work on their own. Women workers in all the districts have also been found to be taking their wages directly. Another aspect of understanding Mahatma Gandhi NREGA and women's assertion is the growing contribution of women workers to the sources of their households' livelihood. In Cuddalore, Tamil Nadu it was 81 percent and 96 percent in Rajnandgaon who said they have spent their earnings from Mahatma Gandhi NREGA on food and consumer goods. On the whole there is also a good percentage of workers who were found to be spending on children's education and a small number, who also claim to spend on off-setting debts.

Other studies by the National Institute of Rural Development (NIRD)<sup>18</sup> indicate women workers are also being empowered through Mahatma Gandhi NREGA as visible in the form of growing contributions to household expenditure, bearing cost of children's education and healthcare. Women have also started to appear more actively in the rural public sphere as they take up their work and responsibilities. There is a general trend of low migration in the areas where assessment was carried out and workers have started to repay their debts.”

The study conducted by NIRD covered the states of Tamil Nadu, Madhya Pradesh, Orissa, Gujarat, Rajasthan, Uttar Pradesh and Chhattisgarh. Among the factors that motivate women to participate in Mahatma Gandhi NREGA are the availability of work locally, choice of work, work on demand, easy working conditions vis-à-vis the other hazardous options available before the Act, abolition of contractors, regularity and predictability of working hours, less chances of exploitation, the works are socially acceptable and dignified. Mahatma Gandhi NREGA provides statutory minimum wages, decreased discrimination and marginalisation based on caste and community, easy access to locally available credit, respect for widows, reduction in risks associated with migration as migration has declined and reduced humiliation and embarrassment in demanding work.

### **Box 2: Women Collectives and Consolidation of Savings**

The participation of women in the workforce in Kerala is 87 percent. Mahatma Gandhi NREGA has catalysed links with earlier institutions that sought to empower women, for example with Kudumbashree and Self Help Groups (SHGs) of women. It is not new for Kudumbashree to provide help in managing and monitoring public works. For example, in Kerala, when roads are being laid, Kudumbashree women are used to supervise the teams of labour on-site and Kudumbashree will also provide a couple of women on-site to help prepare midday meals for the workers. In the case of NREGS projects, the mates for immediate management and supervision of the work come from Kudumbashree.

Mahatma Gandhi NREGA has also helped in increasing the saving of women. In the year 2008-2009, women's savings were INR 67.50 crore (approx. US\$ 14.97 million), which has increased to INR 115.52 crore (approx. US\$ 25.61 million).

Source: 'Implementation of Mahatma Gandhi NREGA-Experience of Kerala', S.M.Vijayanand and V.N.Jithendra, pp 20, 'Mahatma Gandhi NREGA Design Process and Impact', 2009

<sup>18</sup> 'Changing Gender Relations through Mahatma Gandhi NREGA', NIRD, Hyderabad, 2009-10.

Mahatma Gandhi NREGA is an example of the quantitative and qualitative difference experienced in a household because of the source through which the income flows in. If it is through the women, it enhances opportunities for their children, in-turn positively affecting inter-generational change.

### **Box 3: Women Augment Family Income**

India's rural employment guarantee scheme in Tripura is giving women the opportunity to earn. The government scheme has proved to be a breather for the women in a state where two-thirds of the population is still below the poverty line.

The male folk of the village move to nearby towns in search of jobs, where they can earn between INR 120 to INR 150 per day on an average. Lack of job opportunities for women in the area has made them remain at home. However, since the Mahatma Gandhi NREGA schemes have been implemented in their locality, the women have been able to augment their family incomes.

Be it for an increase in the family income or a crucial tool for living, Tripura engages a substantial number of women in Mahatma Gandhi NREGA projects as compared to other north-eastern states. In some pockets like Jirania and Dukli blocks, participation of women in Mahatma Gandhi NREGA works is amazing. Also, the state has moved for multi-cropping agriculture practices instead of traditional single cropping, which also keeps the men busy in fields, giving women more opportunities to avail of Mahatma Gandhi NREGA. Another reason is that women feel safe at the work place in a better socio-economic environment.

Source: Report by Ratna Bharali Talukdar for OneWorld South Asia  
<http://southasia.oneworld.net/fromthegrassroots/women-augmenting-family-income-creatingcommunity-assets>

The workforce participation of SC/STs is 49 percent in the current FY 2009-2010 (see Annexure VI). Findings of professional institutions from the field studies corroborate that the marginalised have a high workforce participation. The Indian Institute of Management (IIM) Lucknow, in its study in Uttar Pradesh, notes that 85.3 percent of the beneficiaries (out of the sample coverage) belong to the BPL category. Of these, 50 percent belong to SCs, 44.5 percent belong to Other Backward Classes (OBCs). Institute of Human Development in its study found that 90 percent of the beneficiaries in Bihar (out of the sample coverage) belonged to SCs and OBCs. Similarly, in Jharkhand, STs, SCs, and OBCs constituted about 95 percent of the beneficiaries, and in terms of land category, more than 90 percent of the beneficiaries belonged to the landless and to households with up to 2.5 acres of land.

Therefore, the scheme is well-targeted in that it reaches the most disadvantaged and deserving households. The findings are also supported by the Administrative Staff College of India (ASCI) and IIM Ahmedabad in their studies of Andhra Pradesh, Gujarat and West Bengal.<sup>19</sup>

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<sup>19</sup> A Quick Appraisal of NREGS and Strategies for Next Level, in West Bengal and Gujarat, Indian Institute of Management (IIM) Ahmedabad, 2008-9 and Quick Appraisal of NREGS, in Andhra Pradesh, Administrative Staff College of India (ASCI), Hyderabad, 2008-9.



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## 5.4 Stemming Migration

Findings of independent studies indicate that with the implementation of Mahatma Gandhi NREGA out-migration from villages has decreased. This is according to a study conducted by Disha,<sup>20</sup> Ahmedabad in the FY 2009-2010 in districts of Narmada, Dang, Banaskantha, Dahod, Sabarkantha and Panch Mahals in Gujarat. Migration from tribal areas has also substantially declined due to Mahatma Gandhi NREGA in the districts of Dungarpur and Udaipur in Rajasthan, Jhabua and Dhar in Madhya Pradesh and Nandurabar and Dhule in Maharashtra. The study points out that 1,605 persons were migrating from these 938 families for employment. This number has declined to 682 persons post-Mahatma Gandhi NREGA. These families have received 70 to 100 days employment in a year. According to a study 15 conducted by the Indian Institute of Management, Bangalore, in Raichur and Gulbarga Districts in Karnataka, and Adilabad and Anantapur districts in Andhra Pradesh, 98 percent of the families surveyed did not migrate from the villages for work. The Centre for Science and Environment (CSE)<sup>21</sup> and Institute of Human Development<sup>22</sup> support these findings on the reduction in migration.

<sup>20</sup> Mistry, Paulomee & Jaswal, Anshuman, Will Mahatma Gandhi NREGA Ensure Security Against Hunger? A Summary Report, Disha Ahmedabad, 2007.

<sup>21</sup> 'Creation and quality assessment of assets, process of work selection and conformity with local needs, environment regeneration, development potential of assets, in Orissa and Madhya Pradesh, Centre for Science and Environment, New Delhi', 2007-8.

<sup>22</sup> 'Institutions, process and mechanisms of implementation; Impact of scheme on labour market; Developing indicators and protocol for long term impact assessment In Bihar and Jharkhand', Institute of Human Development, Delhi, 2007-8.



#### **Box 4: India's Job Guarantee Act Emerging as Ray of Hope during the Global Meltdown**

Madvi Madka from Dantewada district in Chhattisgarh has one thing in common with business tycoons across the globe – he is part of the construction sector that has been crippled by the global meltdown. Madka is a farmer and a daily-wage earner. He feeds his family of five by selling forest and agricultural produce in his remote village of Chingawaram. But this income is enough for only four months of the year. For the rest of the year, Madka travels to the city to work as a casual construction worker to supplement his income. Over the past year, however, Madka could not find work in the cities nearby. He does not know what has led to this sudden turn of fortunes, but he is not alone.

In India, home to about 320 million people living on less than one dollar a day, the global economic crisis has affected not only the formal sector, but has also impacted the country's huge informal economy. Among the newly unemployed are many migrant workers, who earn their daily income through casual jobs. But Madka and his family have found a safety net in the form of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of the Gol, popularly known as the job guarantee act. Mahatma Gandhi NREGA is different from previous employment guarantee programmes in that it legally binds the government to provide employment for up to 100 days a year to those who demand it.

From an awareness raising programme conducted in his village, Madka learned about his right to work under Mahatma Gandhi NREGA. "At the meeting I learned that through Mahatma Gandhi NREGA I could get daily wages from the government to develop my own land," said Madka. Receiving INR 7,300 (approx. US\$ 155) against a plan he submitted, Madka constructed a pond on his plot of land. Today, the pond not only waters his field to grow vegetables; it is also used for rearing fish, providing him with an extra income.

Source: UNDP with feedback from the District Administration, Dantewada, Chhattisgarh

## **5.5 Augmenting Productivity**

The immediacy of social safety net processes, as given in the Act, often appears to be at variance with preconditions for creating durable assets and may not necessarily 'strengthen the livelihood resource base' – the avowed objective of the Act as mentioned in the preamble. The Act raises the significant question: Can a social safety net also become an impetus to economic development? Mahatma Gandhi NREGA is an answer in affirmative. The right to employment has a bi-focal lens: work that helps earn wages and creates durable productive assets. Mahatma Gandhi NREGA works focus on natural resource regeneration and thus augment productivity. They have to be executed manually and so enhance wage security. Typically, Mahatma Gandhi NREGA works have ranged from digging ponds, small bunds, land development, and afforestation; often requiring repeated activity on the same work. Evidence of the suitability of the choice of work in terms of ecological-contextual needs and its usefulness is emerging. 'An Assessment of the performance of the National Rural Employment Guarantee Programme in Terms of its Potential for Creation of Natural Wealth in India's Villages' – an evaluative study conducted by the CSE<sup>23</sup>, New Delhi conducted in Nuapada, Orissa and Sidhi, Madhya Pradesh from January to March 2008 attempts to observe the impact of assets by looking mainly at the people's perceptions about the long-term impacts of the Act on their livelihoods.

<sup>23</sup> An Assessment of the Performance of The National Rural Employment Guarantee Programme in Terms of its Potential for Creation of Natural Wealth in India's Villages, by Center for Science and Environment, 2009.

The study validates that assets created under Mahatma Gandhi NREGA have been conducive to the geographical-ecological environment, have been useful and have contributed towards natural resource regeneration. 78.6 percent of the respondents agreed that Mahatma Gandhi NREGA had led to increased water availability and a positive impact on agriculture in the district through improved access to irrigation. This has led to crop diversity and farmers have been able to switch from Mono- crops to dual crops. There has also been an increase in the net irrigated area in sample districts; around 55 percent of the respondents reported an increase of 371.6 acres (150.4 hectares) under crops. The study notes that Sidhi, in Madhya Pradesh, a predominantly hilly terrain with significant forest cover, has been able to address its problem of water resources management and poor access to underground water sources through Mahatma Gandhi NREGA. Post-Mahatma Gandhi NREGA, with the construction of ponds, tanks and wells on SC, ST land, irrigation facilities have shown a marked improvement. Maintenance of old structures has also been carried out under Mahatma Gandhi NREGA. The owners of these wells often lend water to others in the village for a small fee. This has increased the income for these households and the problems of drinking water scarcity have become a thing of the past. CSE also notes that Mahatma Gandhi NREGA gives an opportunity for employment within the village and stems distress migration. In the study sample, migration has reduced by around 60 percent due to availability of work under Mahatma Gandhi NREGA.



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Other studies have pointed at various improvements. The ASCI study in Andhra Pradesh notes an increase in ground water levels in the Anantpur district. Similar reports are coming in from several other districts, notably from Madhya Pradesh, Rajasthan, Tamil Nadu, Andhra Pradesh, and Kerala where local innovations have emerged from converging Mahatma Gandhi NREG works with other development works.

The study by the Indian School of Women’s Studies Development (ISWSD)<sup>24</sup> conducted in Karnataka (Bidar and Davangere districts) Kerala (Pallakad and Wayanad districts), in Uttar Pradesh (Mirzapur and Gorakhpur districts) and Jharkhand (Godda and Saraikela Kharsawan districts) suggests that works under Mahatma Gandhi NREGA have stabilised existing cropping cycles through the timely provision of water as well as increased the gross cropped area by retaining enough soil moisture and irrigation water for a second or even third crop.

<sup>24</sup> ‘Impact Of National Rural Employment Guarantee Scheme On The Living And Working Conditions Of Women In Rural India’, ISWSD, June 2006.

### Box 5: Increase in Agriculture Productivity and Income

NREGS works have enhanced productivity and created job opportunities in Saidaour, a village in Jewagi taluka under Gulbarga district in Karnataka. An irrigation tank in the village provides irrigation facilities for 500 hectares of land. However, with the passage of time, another 200 hectares of land downstream was waterlogged due to the seepage of water from the tank. The GP did not have any funds at their disposal for cleaning, desilting and widening of the existing small drains. NREGS provided an opportunity to the villagers. The work of an earthen drain was taken up with a project cost of US\$ 12,000. The completion of the project led to the reclaiming of 200 hectares of land, which was brought under cultivation gradually. A conservative estimate of the agriculture income is around INR 5,000 (approx. US\$ 111) per hectare of dry-land. Thus, the project contributed to an increase in income of the village by around US\$ 22,000.

Source: State Government

Maintenance is provided for under the existing guidelines of Mahatma Gandhi NREGA, not just for work done under Mahatma Gandhi NREGA but for similar works done under other schemes. Mahatma Gandhi NREGA has become a very important instrument for maintaining a large number of public assets wearing off for want of repair. Work on public land foregrounds the question of rights to resources. The labour of the landless poor earns them wages but does it create rights to use the benefits generated from their labour. Mahatma Gandhi NREGA is actually showing a way, providing an opportunity to redeem the tragedy of the commons<sup>25</sup>.

An ecological act is one of the best features of the Mahatma Gandhi NREGA as it designates a balance between human action and natural resources creating a sustainable economic security through green jobs. Mahatma Gandhi NREGA has also been able to contribute to ecological restoration through its design. According to findings of a pilot study<sup>26</sup> conducted by the Indian Institute of Science, Bangalore in Chitradurga district of Karnataka, there is an increase in groundwater level, increase in water percolation, and an improvement in soil fertility leading to improved land productivity. In addition to these findings, there has also been a reduction in water vulnerability and livelihood vulnerability in these areas. The study also indicates that Mahatma Gandhi NREGA has some in-built limitations such as only a focus on employment, activities not implemented according to a plan, spatially or time-wise, and disconnected and scattered implementation of activities to name a few. But many of the Mahatma Gandhi NREGA activities still have the potential to provide environmental services, conserve and enhance natural resources (soil, water, and grass and forest resources). There is a need to identify such fail-proof activities that improve the soil, water, grass and forest resources, even without micro-plans or watershed plans. Investment in Mahatma Gandhi NREGA activities, given the scale and importance, should lead to sustained flow of benefits such as employment, income, water supply, food and grass production. Such research suggests that Mahatma Gandhi NREGA works need to be seen as contributing to sustainable development.

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<sup>25</sup> 'The Tragedy of the Commons', Science, Vol. 162 No. 3859, Hardin, Garrett, December 1968. Hardin's article raised the question of depletion of common resources that seemed inevitable with the exponential growth of population.

<sup>26</sup> Environmental Services, Vulnerability Reduction and Natural Resource Conservation from Mahatma Gandhi NREGA Activities, by Indian Institute of Science Supported by GIZ in 2010.

## Box 6: Convergence Initiatives

**Andhra Pradesh** has developed a detailed process for identification and design of convergence activities. Convergence includes, comprehensive land development programmes where bush clearance, land levelling, and irrigation is taken up under Mahatma Gandhi NREGA and drilling and setting up of pump sets is taken through the land development programme. Under the State Horticulture Mission, technical knowledge and saplings are provided, and under Mahatma Gandhi NREGA the land of small and marginal farmers are taken up.

**Kerala** has developed a plan for convergence with a focus on natural resource management and eco-restoration. The initiatives stress on over-exploited, critical and semi-critical artificial recharge of ground water, and renovation of irrigation projects under Mahatma Gandhi NREGA. This includes de-silting, and large projects of eco-restoration of major rivers.

**Uttar Pradesh** undertook a massive plantation drive in the drought-prone area of Bundelkhand as part of a convergence initiative through Mahatma Gandhi NREGA.

**Gujarat** has initiated a convergence between the Departments of Water Resources, Environment and Forests and Agriculture and Mahatma Gandhi NREGA. The important activities undertaken are rainwater harvesting, dug wells, group-irrigation wells, vermin-compost, lift irrigation and agriculture activities.

**Chhattisgarh** has undertaken convergence initiatives for optimising the irrigation capacity of all major, medium and minor projects through the construction of field channels, correction of system deficiencies and drains. Most of the districts are taking up works on water resource schemes.

**Madhya Pradesh** has started convergence of the Mahatma Gandhi NREGA with different schemes or provisions of other line departments (agriculture, horticulture) and private entities (such as banks). This facilitates an increase in agriculture productivity. Banks are willing to provide loans as the asset is not moveable. Through the additional finances the beneficiary purchases irrigation pumps, with subsidy from the agriculture departments, the Swarnjayanti Gram Swarozgar Yojana (SGSY)<sup>27</sup> and Rashtriya Krishi Vikas Yojana (RKVY).<sup>28</sup>

<sup>27</sup> Swarnjayanti Gram Swarozgar Yojana, A important schemes of Ministry of Rural Development, Government of India to enhance skill of the rural family.

<sup>28</sup> Rashtriya Krishi Vikas Yojana (RKVY), an important schemes of Ministry of Agriculture, Government of India to support agriculture productivity.



## 5.6 Expanding Connectivity

Mahatma Gandhi NREGA is improving rural connectivity in many ways:

### i) Rural Roads

Fair weather roads are connecting those hinterland areas left out of larger rural network programmes like *Pradhan Mantri Grameen Sadak Yojana*<sup>29</sup> (PMGSY). This has been particularly beneficial for linking scattered tribal hamlets. The basic earth work done under Mahatma Gandhi NREGA is also being used in many places to provide the base for firmer lasting roads through convergence with PMGSY. Roads internal to the village along with side drains are also being taken up. This provides a critical link with markets, schools, and health services.

#### Box 7: Connecting Remote Villages

In Karnataka, village-like habitations, traditionally called '*tanda*', are often isolated and cut off from the nearby markets, schools or hospitals. These isolated settlements are mostly in majority inhabited by the Lamani Scheduled Caste. Under Mahatma Gandhi NREGA, the 500 families living in Basavana Tanda are now, for the first time, connected by road to the capital of the district, Gulbarga, situated 25 kilometers away. A four kilometer road had to be built on a challenging terrain, which made the work more labour-intensive. This road has proved to be a lifeline to the 500 families living in the village.

Source: State Government

### ii) Financial Inclusion

Access to finance for those belonging to poor and vulnerable groups is a prerequisite for poverty reduction and social cohesion. This has to become an integral part of our efforts to promote inclusive growth<sup>30</sup>. In fact, providing access to finance is a form of empowerment of the vulnerable groups. Financial inclusion denotes delivery of financial services at an affordable cost to the vast sections of the disadvantaged and low-income groups. The various financial services include credit, savings, insurance and payments and remittance facilities. At present 96 million accounts opened in banks and post offices for Mahatma Gandhi NREGA workers makes this the largest financial inclusion scheme of the rural poor. Wages are disbursed through these accounts. These accounts have also encouraged thrift and saving among some of the poorest families.



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<sup>29</sup> Pradhan Mantri Grameen Sadak Yojana (PMGSY), an important schemes of Ministry of Rural Development to enhance rural connectivity.

<sup>30</sup> Report of the Committee on Financial Inclusion, Reserve Bank of India, 2008.

### iii) ICT in Rural Areas

There have been several thrusts towards ICT expansion in rural areas through Mahatma Gandhi NREGA. The sheer magnitude of the programme compels the use of ICT. Mahatma Gandhi NREGA has been able to put in place an ICT-enabled MIS, which is one of the largest online databases for a public programme and has been adjudged the best government web-site for the year 2009-2010. A web-enabled MIS - [www.nrega.nic.in](http://www.nrega.nic.in) - has been developed. This makes the data transparent and available in the public domain to be equally accessed by all. It includes separate pages for approximately 250,000 GPs, 6,467 blocks, 625 districts and 34 states and union territories. All job cards and muster rolls are being uploaded on the Mahatma Gandhi NREGA website. Currently 100 million job cards and more than 30 million muster rolls are available. The ICT infrastructure at the block level has been strengthened. Currently, 92 percent block offices have computers and 55 percent have internet connectivity. States have been permitted to extend ICT facilities to the GP levels to make the newly proposed Village Knowledge Resource Centres ICT-enabled and to facilitate citizen-use of ICT for accessing information and asserting rights. Towards this end, Mahatma Gandhi NREGA has in recent years been most proactive in promoting ICT innovations including bio-metrics and low-cost hand-held devices, IT kiosks, ATMs all of which improve the delivery of service to rural poor.

#### Box 8: Mobile Phones in Orissa

It is a state-of-the-art mobile phone. It is bluetooth and GPRS enabled, which means that the internet can be accessed on the mobile phone. A fingerprint scanner-cum-printer is also connected to the phone. It is used to enrol beneficiaries, as well as to make payments. Zero Mass Foundation, a not-for-profit company in Mumbai, is the business correspondent for Orissa's pilot project, which started in November 2009. The Foundation hires representatives in the villages as customer service providers. Each beneficiary also has an identity card called the State Bank of India (SBI) Tiny Card. This carries details of the beneficiary, along with the zero-security number, a unique ID, that is the first level of identity proof. To ensure no malpractice, the device is voice enabled. It records the beneficiaries' voices during enrolment. Voice verification during transaction is not done but if there is a need, the option exists.

Usually, the junior engineer at the every work site sends weekly bills to the panchayat, along with the work schedule. The schedule lists the quantum of work and the wages due. The sarpanch, head of the panchayat, and the customer service provider issue a cheque to the nearest SBI branch, along with a copy of the work schedule and the wages due. The branch credits the amount mentioned into the beneficiary's account, which automatically gets transferred to the Zero Mass Foundation's account. The foundation then transfers the money to the customer service provider who withdraws it and makes the payment. Cost however is a deterrent and is the reason the pilot project was restricted to 986 panchayats in Ganjam, Gajapati and Mayurbhanj, and one panchayat each in Bhadrak and Jajpur districts of Orissa. The pilot was planned in 1,000 GPs in 10 districts. SBI pays INR 2,000 (approx. US\$ 44) per customer service provider to the Foundation. About 700 of them are active. The Foundation keeps INR 500 (approx. US\$ 11) towards its costs and gives the rest to the service provider.

Then there is the customised device, which costs INR 25,000 (approx. US\$ 546). The service provider makes a down payment of INR 5,000 (US\$ 109) for the device to the Foundation; the rest is deducted in 36 easy installments from the service provider's salary.

Source: Government of Orissa

Backed by financial resources, propelled by a legal guarantee pulsating towards yet unreached areas, Mahatma Gandhi NREGA is emerging as an accelerated strategy for connecting the rural poor and rural areas with highways of opportunities.

To sum up, Mahatma Gandhi NREGA is emerging as a powerful policy platform that synergises multiple inputs and multi-layered processes towards basic development goals, *inter alia*

- a. Enhancing economic security
- b. Promoting gender equity and equitable opportunities to disadvantaged groups
- c. Enhancing bargaining power of the poor
- d. Creating green jobs thus enabling ecological security
- e. Augmenting water resources
- f. Enabling planned convergence with programmes of water resources, afforestation, agricultural productivity
- g. Adaptive towards the adverse effects of climate change
- h. Strengthening democratic processes through grassroots participation
- i. Leveraging transparency and public accountability processes towards governance reform



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## 6. Paradoxes of the Rights-based Design of Mahatma Gandhi NREGA

There are various factors pushing the Mahatma Gandhi NREGA towards a certain course to respond to the needs of rural families in search of work. However, for the Act to be fully invoked by all those who need it, its rights-based processes need to be more vigorously and clearly articulated. Rights can be ordained but their actualisation is not the result of ordains, but of the capacity of the people and the administrative system to enforce them. Further, rights do not exist within a confined and protected space. They pervade historical and contextual processes. Inevitably, the Mahatma Gandhi NREGA design encounters paradoxes that emanate from a larger system in which it operates. The rights-based design of the Act is premised on the assumption that certain conditions exist apriori to the Act. A historical perspective is necessary for a proper diagnosis of the many problems that persist in Mahatma Gandhi NREGA. Some of the aspects of the rights framework are discussed below.

### 6.1 Procedures for formal articulation of demand:

The objective of the law is unambiguously stated ‘providing at least one hundred days of guaranteed wage employment to every household whose adult members volunteer to do unskilled manual work’. The emphasis is clearly on providing work. The objective also clearly foregrounds the government’s guarantee to provide work up to at least one hundred days. However, the word ‘volunteer’ has been linked in Schedule II with an application process in which there is a sequencing of steps. In Schedule II, the stage of provision of work is initiated after the wage-seeker submits an application.



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This sequencing makes the guarantee conditional to a choice. Instruments to assert such a choice, however, generate paradoxes. This is because although a legal process of demanding rights has been designed, delivery systems, social hierarchies and power relations have not changed much since the earlier WEPs. As a result, limited capabilities and existing hierarchies can restrain the assertion and acknowledgement of rights. Under Mahatma Gandhi NREGA the instruments of rights are activated based on applications by the work seekers. Applying for job cards, applying for work and demanding rights requires capabilities. Basic instruments for exercising rights in Mahatma Gandhi NREGA depend on the ability of the worker to read and write. However, most workers engaged in Mahatma Gandhi NREGA are non-literate as demonstrated by most studies profiling Mahatma Gandhi NREGA workers. This leads to a situation where those seeking work would have to depend on someone literate to do so. This opens a niche where the 'writer' may dominate the rights. Such procedural conditionalities create a paradox.

## 6.2 Lack of Organisation

A critical set of assumptions that the legal instruments make is about the workers capacity to organise and negotiate on equal terms with an overpowering, unequal system with which they have a subordinate and dependent relationship. It is assumed that the worker is able to wrest his/her legal rights in case the system denies it. This makes the provisions of transparency and accountability – social audit by GSs, payment of unemployment allowance, grievance redressal in seven days and penalties in case of default – crucial to the Act. These are instruments for enforcing the rights in case the system that is the guarantor of rights fails to do so. This is a complex situation, latent with conflict and varies among states according to the states' socio-economic context. If workers were organised they would be able to wrest their entitlements if a system were not to acknowledge them. But lack of organisation makes it difficult to do so.

If the rights-based approach has to be followed, the state would have to first create an awareness of the rights. The condition that makes the law effective lies outside the law, and depends again on the initiative of the state. But unless people are able to demand their rights, enacting a law that gives them that right does not yield the desired result.

## 6.3 Lack of incentive to complete work

How would Mahatma Gandhi NREGA compare with a conditional cash transfer programme? It is premised on rights and entitlements. But the exercise of those rights has a condition, the willingness to do unskilled manual labour. The wages to be earned are dependent on the task done. So there are conditionalities. There is a conditional relationship between the workers' rights to work and of the wages earned. Further there is an immediate conditional relationship: labour input, work out-turn and wage earned. But there is no conditional relationship between the work performed and the expected outcome of that work. There is no condition that incentivises the workers to use Mahatma Gandhi NREGA as an opportunity to move beyond the scheme to improve his/her quality of life. There is no obligation on the worker to complete the work engaged in. Workers can drop in and drop out which is in keeping with their right to choose to work when they want, but this tends to contribute to a high rate of incomplete works. Further, wage rates are capped per person/day. So while there is an incentive to workers to turn out as much as is needed to earn the wage rate. There is no incentive to work extra to contribute to productivity or to complete the task on time. The conditionalities apply to labour commitment, not to productivity or durability of work done.

## 6.4 Need for flexible operational instruments

Paradoxes and tensions are inevitable, given historical legacies of inequalities and the inability of the poor to exercise the rights vested in them. A discourse of rights creates a breach in this historical condition, and like all discourses it seeks to compel action to change the existing situation. The process for such a change however is slow and uneven. In the transition phase, there is a need to re-think the design of the legal instruments for exercising rights that can be easily used by the overwhelming majority of non-literate, unorganised workers. The Act itself offers an opening for dynamic revision of its own instrumentalities. The instruments for enforcing the law are schemes to be designed by the state under section 4 and the two schedules of the Act.

Section 4 states that *Every state government shall, within six months from the date of commencement of the Act, by notification, make a scheme for providing not less than one hundred days of guaranteed employment in a financial year to every household in the rural areas covered under the scheme whose adult members by application, volunteer to do unskilled manual work subject to the conditions laid down under this Act and in the Scheme.*

Schedule I of the Act gives Minimum Features of a Rural Employment Guarantee Scheme to be incorporated by the State in their Scheme. Whereas Schedule II lists conditions for Guaranteed Rural Employment under a Scheme and Minimum Entitlements of Labourers.

The objective and non-negotiable processes of law are given in the main body of law. The two schedules of the law describe the operational instruments and conditions to facilitate the objective of the main body of law. The main body of law can only be changed through Parliament. The schedules can be changed by the MoRD, and then be placed before the Parliament for information. This relationship between the main body of law and the schedules is critical to the design of the law. If this relationship is not fully appreciated then the balance between different components within the legal design tends to get lost. Its interpretation acquires asymmetries of emphases and the relationship between operational and substantive components gets blurred. The operational instruments detailed in schedules should be seen as implementation options that can be reviewed based upon implementation experience, rather than rigid conditions for exercising rights.



## 7. Dilemmas of the Delivery System

The delivery system is under legal obligation to guarantee a number of entitlements. As indicated in the preceding discussion, workers' capabilities to exercise their rights are limited. Defaults and deviations occur in the delivery system, that often the workers are not aware of, or if aware, are not able to rectify. The legal obligation to ensure that guaranteed rights are availed of by wage-seekers vests with the Government. Implementation gaps can result in the violation of these rights. Alternatively, legal compulsions can result in short term decisions that may not always be the most productive option. Such situations create dilemmas, such as the following.

### 7.1 Time-bound work allocation and planning sustainable projects



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The objective of the Act is enhancement of livelihood security by encompassing both immediate social security relief and long-term strengthening of livelihood resources through natural resource regeneration and creation of durable assets. Strengthening resource livelihoods and creating durable assets require careful, integrated planning of many inputs. How can they all be entwined into an employment guarantee? This issue is not easy to address within the legal framework. Its key features often pull in opposite directions.

The main elements of the design underscore the functioning of the Act as a social safety net. This is why work must be provided within 15 days of demand – a conditionality required to ensure that the social safety net is effective. But it may not always be possible to provide sustainable, productive work within this time-limit. The need to provide work will gain precedence over the search for sustainable productive work, if a choice has to be forced.

### 7.2 State to adjudicate its Guarantees

The right of the worker to demand and receive work is guaranteed not just by the allocation of work in 15 days but also by an unemployment allowance to be paid in case work is not allocated in due time. Similarly, worker rights are protected by guaranteeing payment within 15 days, or compensation has to be paid. There are considerable difficulties here. The unemployment allowance is actually a worker's right, but because it has to be paid by the state, it tends to be perceived as a penalty on the state for failure to provide work on time. This also highlights the problems inherent in balancing the functions of a rights-guaranteeing agency. The same agency is responsible for providing work at the centre's cost, as well as for an unemployment allowance if it fails to do so, but at its own cost.

There is a similar issue with wage payment which if not made in 15 days attracts compensation. In order to infuse transparency in wage payments, wages are to be paid through the workers' accounts in banks or post-offices. However, for various reasons, such as delays in measurements, or limited capacity and outreach of the financial service network, there are delays in wage disbursements. Mahatma Gandhi NREGA, despite being a law, continues to be haunted by the legacy of former WEPs.

The focus is on opening works but not, as the law demands, on perceiving the works as instruments of a legal guarantee to ensure that workers earn their wages. Work without payment on time compromises the rationale for opening the works and the functioning of the Act as a social safety net. These problems suggest the need for an independent adjudicating agency. In law, the implementation and enforcement functions have to be separated.

### 7.3 Social Audit

Significant to the Act are provisions regarding transparency and accountability that are intrinsic to its design as a social safety net. However, efforts to promote transparency and public accountability encounter some dilemmas in the delivery systems. All the powers are vested in the same agency, muting checks and balances. Thus, the GP receives applications for employment, issues dated receipts, to bind itself to allocate work within 15 days as well as for the payment of unemployment allowance in case it cannot. The adjudicating agency is the same as the implementing agency.



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The implementing agency then has little incentive to give evidence of its guarantee as that can then be invoked against it for paying unemployment allowance. Not only is the GP both guarantor and the implementer, and so controls the documents related to them, it also controls the systems and processes to which it is accountable.

This is most apparent in the system of social audit. The Act vests the authority of social audit only with the GS. The GS is expected to audit the GP, but the GS is convened by the GP. Social audit can be a powerful instrument for transparency and accountability only if the community is powerful enough to compel the public body to render accounts and to compel action on its findings.

In the arrangements prescribed by the Act, the GS that is the social audit body is dependent on the body it has to audit to even be invoked. Not surprising the social audit process tends to be compromised because of the unequal relation between the GP and the GS. Constitutionally, the GS is the bedrock of local self-government, and within the Act, In reality it is an ‘imagined community’<sup>31</sup>, conspicuously absent and non-functioning. The village community is not homogenous; on the contrary, it is highly stratified – socially and economically. Its presence as a ‘local community’ is largely spatially determined and designated formally mainly on a combination of geo-territorial and administrative factors. Within this broad physical space are heterogeneous groups. Caste is an important determinant here, expressing itself not only as social identity and bonding but also often, as the pattern of residence and work. Within shared social identities are divisions and conflicts of interests. So where is the community except for an administrative-territorial presence? Such a spatial identity has the potential of a community, but is not really a community in a sense. A community comes into being when there is a sharing of a common agenda. Its vitality depends upon its ability to communicate, to negotiate differences on increasingly equal terms and to evolve solutions and to identify with common public issues. Such a concept has also to recognise that both public agendas and private interests (that often influence public agendas) change and with that the contours of a community. Community remains a fluid process seeded with common interests, fraught with conflict and the struggle to place communication in a public domain. By no measure is it a static entity. Such an understanding of community makes the GS a complex structure that has been created, rather than a natural homogenous collectivity.

If understood as the entire local resident village, a community is coterminous with the electorate. It remains amorphous and fails to become an assembly. If it does acquire the occasional character of an assembly, it lacks collective will. Its internal divisions and the overriding power of the GP create a void, despite its physical presence.

Meetings of such GSs and decisions taken by it indicate the creation of a structure without agency. This is aggravated when such a structure is manipulated by the GP to endorse its decisions. In the case of Mahatma Gandhi NREGA workers, this danger is real as the workers lack capabilities and are unorganised, lack economic resources and are often at the bottom of the social hierarchy.

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<sup>31</sup> ‘Imagined Communities: Reflections on the Origin and Spread of Nationalism’, Anderson, Benedict, London and New York: Verso, 1989.



## 7.4 Institutional Structure

Effectiveness of the legal design depends upon the capacity and structure of institutions that are to take decisions about the use of resources guaranteed under the Act. Rights under the Act that are bestowed on the workers create corresponding obligations on the institutions that have to ensure the fulfilment of these rights. But these institutions also have rights vis-à-vis each other. These rights have to be honoured internally, like a supply chain of rights and obligations. This is vital. A breach in this will dislocate the guarantee of rights to workers, the origin of the chain.

### i) **What are the internal institutional rights and the corresponding obligations that depend on these rights?**

Three features of this structural network are evident. Firstly, the functions are the heaviest at the bottom - GP level and the leanest at the top – ministry level. But the control of funds on which the entire guarantee rests is inverse to the distribution of functions, resting maximally with the centre and reducing with each lower level, with the GP having least control over access to funds. Secondly, there are often concurrent powers that remain unreconciled. For example, the GS recommends works but the GP determines priorities. The State Employment Guarantee Council can also decide 'preferred works'. The deciding power on the labour budget that funds the work recommendations is with the district panchayat. Lastly, there is an intricate network of dependencies. This has to work smoothly and efficiently for the guarantee to workers to be ensured. Does the existing system have the capacity to work in such a well-coordinated manner?



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**Table 1: Rights and Dependent Obligations**

Level	Institution	Rights	Obligations
Village	Gram Sabha	<ul style="list-style-type: none"> <li>• Decide projects</li> <li>• Carry out social audit</li> </ul>	<ul style="list-style-type: none"> <li>• Function actively as a gram sabha, demand its rights to do so</li> </ul>
Village Cluster	Gram Panchayat	<ul style="list-style-type: none"> <li>• Consolidate recommendations of works by Gram Sabha into a the village Development Plan</li> <li>• Implement atleast 50% of approved works</li> <li>• Receive proportionate funds for it</li> </ul>	<ul style="list-style-type: none"> <li>• Receive applications from job cards, verify and issue job cards</li> <li>• Receive work applications ,allot work within 15 day, pay within 15 days</li> <li>• Convene gram sabha, facilitate social audit</li> </ul>
Block	Programme officer's office Intermediate Panchayat	<ul style="list-style-type: none"> <li>• Consolidate GP plans into a Block Plan</li> <li>• Receive funds</li> </ul>	<ul style="list-style-type: none"> <li>• Receive work applications and allot work</li> <li>• Dispose grievances in 7 days, Proactive disclosure</li> </ul>
District	District Programme Coordinator District Panchayat	<ul style="list-style-type: none"> <li>• Consolidate Block Plans into the district plan and make a labour budget</li> <li>• Receive funds</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that the guarantee is upheld</li> <li>• Dispose grievances Proactive disclosure</li> </ul>
State	Department of Rural Development State Council	<ul style="list-style-type: none"> <li>• Make schemes under Law</li> <li>• Set up State Council</li> <li>• Receive funds from the Centre</li> <li>• State Council: Determine preferred works</li> <li>• Monitor and evaluate</li> </ul>	<ul style="list-style-type: none"> <li>• Fund 25% of material cost,</li> <li>• Pay unemployment allowance,</li> <li>• Impose penalties,</li> <li>• Delegate powers to the DPC for implementing schemes under law,</li> <li>• Make Rules for grievance redressal, accounting,</li> <li>• Proactive disclosure</li> </ul>
Centre	Ministry of Rural Development Central Council	<ul style="list-style-type: none"> <li>• To amend law</li> <li>• Make rules on National Fund, and Council and on manner of release of funds</li> <li>• Central Council Monitor evaluate, review, collect statistics,</li> </ul>	<ul style="list-style-type: none"> <li>• Fund 100% of cost of wages, 75% of material 100% of administrative expenses,</li> <li>• release Central funds on time to implementing agencies</li> <li>• Proactive disclosure,</li> </ul>



This leads to a dilemma of the delivery system that is expected to guarantee rights under an Act, but the Act itself contributes to the process of strengthening the delivery system. Building the capacity of GSs and PRIs at the same time as guaranteeing and auditing rights is like cooking in a vessel that is still on the potter's wheel.

## 7.5 Challenges of Decentralisation

The most challenging role in the institutional delivery system is of the PRIs, especially of the GP. They are pivotal to Mahatma Gandhi NREGA. But GPs exist in a hierarchical system. They are dependent on the decisions of authorities above them. Functions are shared vertically, and although all the tasks of Mahatma Gandhi NREGA rest squarely with the GP, the DPC who guarantees the rights and the GP on whose actions the fulfilment of the guarantee depends is, one link in a long chain. Labour budgets have to be prepared through participatory planning involving GSs, PRIs, and the block and district officials and sufficient technical expertise. This also involves forecasting and matching labour demand and works, keeping in mind their seasonality, sufficient potential to generate employment, technical feasibility and durability of assets, keeping within the permissible list of works. The 15-day limit on guaranteed employment is possible only if this planning and release of fund from the district to the implementing agencies to support that planning is ensured by the district administration. This requires institutional coordination and high skilled planning. The Act also rests on the premise that the GPs have the capacity to implement a legal guarantee with 15 days. This assumes that the GPs have the basic infrastructure, trained personnel and capabilities to understand the conditionalities of law and are prepared to handle its time-bound pressures. It also assumes that grassroots democracy has matured sufficiently and that the GSs can actively hold not just the sarpanches they elect, but all the government machinery accountable.

## 7.6 Intersecting Functions and diffused Authority

Functions are distributed among different institutional authorities that makes inter-agency coordination and fixing accountability challenging tasks. On the one hand, (section 13) PRIs are the principal authorities for planning, implementation and monitoring. At the district level, however, the DPC is responsible for the legal guarantee. Section 14 makes everyone accountable to the DPC so that the DPC can coordinate all agencies and resources to ensure that the guarantee is fulfilled in time. The PO, the other critical officer at the block level, is also accountable to the DPC. Yet the DPC's authority is limited in some ways. His role is subordinate to that of the district panchayat. While this is in keeping with Section 13, it does complicate the role and power of the DPC vested in Section 14. The PRIs are the principal authorities but the DPC has the responsibility of guaranteeing the rights. There is nothing in the Act that gives him/her the authority to ensure that the principal authorities discharge their responsibilities towards fulfilling the guarantee. This leads to a situation where powers and responsibilities get wedged between institutions, diffusing the authority to enforce a legal guarantee.

## 7.7 Inter-Contextual Variations

There are considerable differences among states that affect their implementation of the programme. There are however certain standardised prescriptions in the law governing the programme that does not quite factor in these variations. For instance, the nature of works related mainly to soil and water conservation severely limits the working season in hilly and snow-bound regions. Their snow-bound periods are when they need supplementary employment but the nature of works does not support this. The nature of works also limits the provision of employment during heavy rains. What happens if there are employment demands during such seasons? The Act gives enormous autonomy to the state to develop projects, determine rules and make arrangements necessary to enforce the law. The centre has to negotiate variations (regional and administrative) through a consultative process with the states so as not to undermine the inherent decentralised space for local action which is the vital energy of the Act.

## 7.8 Conflicting Provisions

There may also be a need to reconcile different legal stipulations that govern the provision of work. For example, Section 7 vests the states with power to make rules governing the payment of unemployment allowance, subject to such terms and conditions of eligibility as may be prescribed by the State Government and subject to the provisions of this Act and the Schemes and the economic capacity of the State Government, which some states interpret as the power to exclude such seasons (rains or snow) when work is not possible from the purview of unemployment allowance. But this has to be read together with Schedule II that gives the workers the right to apply for work as and when they chose. The two stipulations need to be reconciled so that the power exercised by the state under specific sections and the rights-based provisions of the Act are harmonised.

## 7.9 Centre-State Coordination

In a programme without statutory backing and funded by the centre, the centre normally acquires operational control through a set of conditions. The fulfilment of these conditions can be linked with release of financial resources. In Mahatma Gandhi NREGA, the programme is implemented under a law; the issue of operational control by the centre becomes problematic for several reasons. How does the centre get the state to conform to the legal norms? Or to take action against defaulters? Section 27 (1) gives the centre power to suspend funds.

### **The Section states that:**

*The Central Government may on receipt of any complaint regarding the issue of improper utilization of funds granted under this Act in respect of any Scheme, if prima facie satisfied that there is a case, cause an investigation into the complaint by any agency designated by it and if necessary, order stoppage of release of funds to the Scheme and institute appropriate remedial measures for its proper implementation within a reasonable period of time.*

But it needs to be remembered that the object of central assistance is the work and wages of people who have worked as manual labour. In case the delivery system defaults, should the centre rein in the release of funds? Would this not be a double indemnity to the poor? To be deprived of the resources legally guaranteed because the delivery system has already violated their rights under the law? If a law is violated, it does not automatically imply that funds intended for the end beneficiaries be withheld. It normally implies that there be stronger, independent expeditious and effective authorities for dealing with violations, punitive measure and redressing grievances. Lack of such mechanisms should not dislocate the discussion towards simplistic solutions like suspension of funds that erode the rationale of the law, orient penalties towards the victims of the breach of law, and still do not necessarily correct the defective system. If the same systems exist after Mahatma Gandhi NREGA as it did prior to it - administratively and socially - and if these are not transformed will they be able to enforce laws that transform social relations and administrative structures. Or is the law expected to transform the system?



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## 7.10 Grievance Redressal and Penalties

It is hoped that a law with penalties would be able to coerce existing systemic and individual resistances to conform to the legal mandates. Laws aim at changing, intervening, and shaping human action by restraining or promoting certain forms of behaviour. This is done through an enforcement mechanism. The enforcement mechanism punishes and restrains deviant action. In a scenario of nearly 50 million families spread across more than half a million villages, does Mahatma Gandhi NREGA have a prompt free and easily accessible legal mechanism that can be used by those whose rights have been violated? There are dilemmas in enforcing laws that support development processes and are promotional in nature rather than regulatory and prohibitive. Very stringent and deterrent penalties may discourage the kind of proactive and supportive role that the state is expected to play to deliver the benefits under the Act. There will be more litigation than development. At the same time, there would have to be a fair system for grievance redressal and enforcement of legal rights.

How does one strike the right balance between an internally-responsive system and an independent agency so that the development orientation of the Act is fostered and wilful default is taken to task? This issue has not found a satisfactory solution so far. Under the Act, those responsible for its implementation are also responsible for adjudicating on grievances that arise from its implementation. This can be fraught with complications, as dissatisfaction with those implementing the programme may not easily be heard or their grievances redressed. The Act requires state governments to formulate Grievance Redressal Rules. The Schedule of the Act has been amended to lay down a framework for this. However, only 11 states have formulated these rules.

This does not help contain the breach of law nor has it found expression as penal action against defaulters. The penalty for violation is itself both mild and difficult to enforce. A fine of INR 1,000 (approx. US\$ 21.95) is to be imposed for violating the rights of the poor for whom availing of the opportunity to earn under the Act or being denied it makes all the critical difference. Not only is the penalty not a deterrent, the process of enquiry and fixing of responsibility within the administrative rules is also protracted.

What happens if after the penalty is imposed the defaulter defaults again? To address some of these issues an ombudsman system has been formulated. The recent order directing state governments to set up a district ombudsman will create an independent grievance enquiry authority empowered to direct the state government to redress and penalise as well as to file a First Information Report (FIR) against defaulters. However, the ombudsman may find it difficult to assert itself independently when it is appointed by the Government. It may also not be able to enforce the law, impose penalties or redress grievances as it does not have judicial powers. Above all, its authority is outside the Law. Can it over-ride the powers of grievance redressal vested within the Act in the District Programme Coordinator and the Programme Officer and compel them to act or even more to indict them? It can at best, offer a forum for receiving grievances and exert a public moral pressure for their effective disposal.

To sum up, some of the conceptual premises and assumptions in the legal design generate mutual tensions between some of its critical processes. The right to basic livelihood is as basic as the right to life – the lack of essential resources can thwart the right to life. If this is recognised then the obligation is upon the state to safeguard rights. The state may do this through policies that create opportunities (infrastructure, services and resource distribution) and capabilities (education, health, and skills development). The right to exercise an option and avail of a guarantee offered by the state may vest with the individual. But the obligation of the state to create basic conditions for the exercise of rights is prior to and not contingent upon the exercise of choice by the individual. Some of the concepts and procedures in the design create implementation aporias and tensions. There is a need to understand and evolve feasible alternatives to deliver the intent of the law. These alternative processes should emerge from a study of both the problems and the best practices in the field. There is an urgent need to review the instruments of articulation of the rights by observing what works and what can work in different contexts, what are the best ways or methods to guarantee rights and finally, what kind of rights should be guaranteed.



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## 8. Policy Innovations

Policy innovations have evolved in the effort to give effect to the provisions of the law, to resolve some dilemmas and paradoxes and to balance different impulses of the Act that often pull in different directions. The provisions of law need to be correlated to form an operational strategy. Rules or guidelines have to be formulated to convert legal mandates into operational measures. Often there are elisions in a set of legal requirements that need to be filled and connected and this is the space for interpreting and fleshing out the law. The policies that emerge from these interpretive spaces have critical significance as they steer the implementation and govern the use of resources.

In the real world of practice, policies framed in the interstice of the legal framework create the contours of legal provisions, shape its delivery mechanism and convert theoretical prescriptions into a development programme.

### 8.1 Policy innovations by the Centre

Policy innovations by the Centre are significant in the way they negotiate some complex issues at the core of the Act, on which its effectiveness as a social safety net depends.

#### i) Wage rate policy

One of the most vexing issues in a social safety net is the wage rate. Should it be below the minimum wages for agricultural labour and the market rate so that it does not become the preferred employment and does not divert from mainstream productive employment? How far below for the net to not break through? Mahatma Gandhi NREGA has been able to negotiate this need to balance a wage rate that provides a strong social net without competing with market rates. The instrument for this is the wage rate section 6 of the Act. Section 6(1) specifically authorises the Central Government to notify a wage rate, notwithstanding anything contained in the Minimum Wages Act. Section 28 generically establishes the authority of Mahatma Gandhi NREGA in supersession of all other Acts, notwithstanding anything inconsistent with their provision. There is considerable discussion challenging delinking Mahatma Gandhi NREGA wage rates from minimum wages for agricultural labourers, as nothing should be less than the minimum. The recent decision of linking Mahatma Gandhi NREGA wage rates to CPI-AL with a corresponding annual increase has given an upward thrust to Mahatma Gandhi NREGA wage rates in all States. Only five states have Mahatma Gandhi NREGA wage rate below their current Minimum agriculture wage rates. Since Mahatma Gandhi NREGA wage rate will be revised annually in January linked to CPI-AL it is likely that in the next revision there may be parity between Mahatma Gandhi NREGA wage rates and the agriculture minimum wage rates. Mahatma Gandhi NREGA has focussed attention on wage rates because this tends to be the actual minimum wages in the hands of the workers, the notified agricultural minimum wages, in most cases remain notional.

## Notified Wage Rate under MGNREGA

S. No.	States	Notified Wage Rate under MGNREGA					Minimum wages for agricultural labour
		FY: 2006-07	FY: 2007-08	FY: 2008-09	FY: 2009-10	Revised wage rate	
1	Andaman & Nicobar			130-139	130-139	170-181	156-167
2	Andhra Pradesh	80	80	80	100	121	125
3	Arunachal Pradesh	55-57	65-67	65-67	80	118	80
4	Assam	66	76.35	79.6	100	130	87
5	Bihar	68	77	89	100	120	109
6	Chandigarh			140	140	174	170
7	Chhattisgarh	62.63	62.63	75	100	122	105
8	Dadar & Nagar Haveli			108.2	108.2	138	130
9	Daman & Diu			102	102	126	126
10	Goa			110	110	138	157
11	Gujarat	50	50	100	100	124	100
12	Haryana	99.21	135	141.02	141.02	179	167
13	Himachal Pradesh	75	75	100	100-125	120-150	110
14	Jammu & Kashmir	70	70	70	100	121	110
15	Jharkhand	76.68	76.68	92	99	120	111
16	Karnataka	69	74	82	100	125	134
17	Kerala	125	125	125	125	150	200
18	Lakshadweep			115	115	138	121
19	Madhya Pradesh	63	85	91	100	122	110
20	Maharashtra	47	66-72	66-72	100	127	110-120
21	Manipur	72.4	81.4	81.4	81.4	126	81
22	Meghalaya	70	70	70	100	117	100
23	Mizoram	91	91	110	110	129	132
24	Nagaland	66	100	100	100	118	80
25	Orissa	55	70	70	90	125	90
26	Puducherry			80	100	119	100
27	Punjab	93-105	93-106	93-105	100	124-130	143
28	Rajasthan	73	73	100	100	119	135
29	Sikkim	85	85	100	100	118	100
30	Tamil Nadu	80	80	80	100	119	85-100
31	Tripura	60	60	85	100	118	100
32	Uttar Pradesh	58	58	100	100	120	100
33	Uttaranchal	73	73	100	100	120	114
34	West Bengal	69.43	69.43	75	100	130	96

## 8.2 Institutional Accounts for wage disbursement:

A major issue is ensuring that the wages workers earn reach them, without undue transfer losses. Towards this end, schedule II of the Act was amended to make wage payments through institutional accounts statutory. As a result, 100 million worker accounts were opened in banks and post-offices, making Mahatma Gandhi NREGA the largest financial inclusion initiative for rural areas. Almost 221.52 Billion Rs. were disbursed as wages through institutional accounts of the workers in FY 2009-10. This has encouraged savings and thrift.

## 8.3 Business correspondent model for timely wage disbursement:

While over 100 million accounts of Mahatma Gandhi NREGA workers were opened to reduce leakages in cash transfer, payments have been delayed both because of delayed measurements, or lack of financial services outreach. To resolve this problem, Mahatma Gandhi NREGA administrative cost will now support the Business Correspondent Model in unbanked areas and so eliminate delays in wage payments. This will not only benefit Mahatma Gandhi NREGA but provide a huge thrust to business and financial services in rural areas, creating second generation employment.<sup>32</sup>



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<sup>32</sup> National Framework: Biometrics Enabled ICT for People's Empowerment under the Mahatma Gandhi NREGA

### Box 9: Bank at Your Doorstep

Technology is helping public sector banks find customers in rural India. This is part of the Centre's efforts to include villages in the organised financial system; to ensure they are not cheated of their wages. Pilots show promise.

Technology plays a crucial role in making banking services available to the rural poor. And banks are exploring options. To begin with, the Reserve Bank of India (RBI) has permitted banks to use intermediaries such as cooperatives or microfinance institutions to provide services in places banks cannot reach. These intermediaries, called business correspondents, could also be retired bank or government employees, or not-for profit companies registered under the Companies Act. The rule is to hire and train correspondents in basic financial services and provide them with the required technology to complete transactions.



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Shankar Sahu, 37, a labourer in Makarjhol village of Ganjam district in Orissa, would walk five km to Saru village to collect his Mahatma Gandhi NREGA wages. When he felt tired, he took an auto ride and spent Rs 10.

Saru has a State Bank of India (SBI) branch, in which the government deposits his Mahatma Gandhi NREGA wages. Collection day for Sahu meant a day wasted, long queues at the bank plus expenditure on transport. But, that was over a month ago.

Now, the bank reaches Sahu in his village via its new branchless banking pilot scheme in the district. The scheme involves a trained bank representative, state-of-the-art mobile phone, a smart card and a fingerprint device – all of these connected to the central server of the bank in Mumbai. The representative, the face of the bank in the district, carries the paraphernalia and makes weekly payments to daily wagers.

Sahu is thrilled. So are thousands of villagers covered under the government's recent financial inclusion drive. The aim of the drive is to include the weaker and vulnerable sections of society in the ambit of organised financial system. And, with the centre directing states to pay Mahatma Gandhi NREGA wages through post offices and banks, the institutions are busy experimenting payment options with several IT-enabled services.

Source: Down to Earth, Vol. 18 No. 20, 26 February 2011



### Box 10: Biometric ATM Experts in Cuddalore

The authentication leaves no scope for fraud because no one except the beneficiary can withdraw money. “My wife gets to decide when to withdraw and how to spend her earnings. She has saved over INR 2,000 (approx. US\$ 43.67),” said Mahalingam. “Earlier, she would bring home all her Mahatma Gandhi NREGA earnings to me,” he added. The ATM operates in Tamil, but for the elderly and the unlettered, help is at hand. Sudha, a resident with a school-leaving certificate to her credit, manages the ATM and helps people withdraw their earnings. The panchayat has also employed a resident who collects the weekly workers’ list and their due wages from the worksite, and deposits cash with the bank. The bank, SBI, sends its staff to the village to put in cash in the machines.

Periyakanganankuppam was one of the five village panchayats in the Cuddalore district of Tamil Nadu chosen for the biometric ATM pilot. The pilot was launched in November 2008, but one village was excluded because it did not have wireless access. Two others dropped out because the bank failed to process applications for savings accounts in time for the pilot. “We did not have enough staff,” said K Venugopal, branch manager of Cuddalore SBI. During the pilot the Cuddalore block administration paid INR 12.25 lakh (approx. US\$ 27,000) through 675 bank accounts in these two panchayats. INR 6.05 lakh (approx. US\$ 13,000) was paid as cash to non-account holders. The Rural Tele-Banking Initiative under IIT Madras provided the technology. And, Periyakanganankuppam, with 445 account holders, and Pathirikuppam, with 230 account holders, successfully completed the pilot in May last year. The plan is to upscale the project to all 145 villages in the Cuddalore block. With a successful pilot in Tamil Nadu, the SBI is experimenting with a different technology in Orissa.

Source: Government of Tamil Nadu and Centre for Science and Environment



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### Box 11: Smart Cards in Rajasthan

Makkhan Lal, 29, cheerfully walks about Fatuhi and Khatlabana villages in Sriganganagar district with a smart card reading device. He is the district's first business correspondent. He transacts with 1,400 daily wagers whom the bank has issued biometric smart cards, and earns about INR 3,000 (approx. US\$ 66) per month. When Lal reaches a village he first activates the machine so that the smart card can be inserted. The device, imported from the US, requires a fingerprint to verify the beneficiary. "Since labour often alters fingerprint impressions, an option for all 10 fingerprints exists. Some of us also carry Vaseline for extreme cases," Lal said. After verification, Lal hands over the cash. The machine prints two receipts; Lal keeps one, gives the other to the beneficiary. The information is relayed to the bank through the smart card reading device. Transactions can range up to INR 20,000 (approx. US\$ 437) and as a rule smart card holders cannot conduct direct transactions with the bank, the Oriental Bank of Commerce in this case. In keeping with the RBI guidelines, the bank has hired Financial Information Network and Operations (FINO), a not-for-profit company in Mumbai, to issue smart cards and hire business correspondents.

The incentive for business correspondents, of course, lies in the one-time fee of INR 4.50 (approx. 1 cent) for every smart card issued, which the bank bears. The bank also pays the correspondent a monthly stipend of INR 1,000 (approx. US\$ 22), plus half a rupee (approx. 1 cent) for every transaction. Since Lal's recruitment in August 2009, FINO has hired 25 business correspondents who are serving 20,000 beneficiaries.

While the smart card device is available on rent for INR 9,000 (approx. US\$ 196.5) each year, each smart card costs INR 112 (approx. US\$ 2.45). The bank bears these costs. RBI reimburses INR 50 (approx. US\$ 1) per smart card to the bank. Under the pilot, which started in August 2009, the bank has issued smart cards to Mahatma Gandhi NREGA beneficiaries in 13 of the 20 branches they have in the district. The bank's reach has expanded because of the business correspondents, and transaction time is saved.

Source: Centre for Science and Environment

## 8.4 Strengthening gram panchayats for implementing a legal guarantee

To augment the capacity of the gram panchayats, some of the measures include the following:

### 8.4.1 Knowledge Resource Centres

Experience of implementing Mahatma Gandhi NREGA has shown that transparency in the processes can be enhanced if proper infrastructure for transactions is put in place. If the Mahatma Gandhi NREGA website is the virtual architecture for it, there is an even greater need for a place at the village level where workers can apply for work, records can be maintained and proper meetings and consultations can take place. Most GPs lack such an infrastructure. There are hardly any walls to even display the information that should be put up as part of proactive disclosure. So physical infrastructure is necessary for a transparent transaction of rights where obligations have to be fulfilled in a time-bound manner. This has been facilitated by including among permissible works, the construction of Knowledge Resource Centres at the GP and block levels, aiming at providing infrastructure resource support for citizen-centring of Mahatma Gandhi NREGA processes.

## 8.4.2 Establishing a Technical support unit at the Gram Panchayat

A scheme for strengthening the functioning of the gram panchayats by supporting, in a phased manner, the establishment of a technical unit in them, comprising a Panchayat Development Officer and a junior engineer has been formulated. The skills of the existing staff will be upgraded through training. Priority is being given to extremism affected districts, and districts where the annual Mahatma Gandhi NREGA expenditure is above Rs. 1 billion. This is a major initiative to improve not just managerial efficiency of the GP, for Mahatma Gandhi NREGA, but for all other rural development programmes.

## 8.5 Use of ICT

### 8.5.1 Web-enabled, House-hold based MIS

The Act prescribes proactive disclosure and making information available in the public domain. It is difficult to persuade Government offices to voluntarily disclose information about its actions, specially when deficiencies can attract legal action. To facilitate proactive disclosure, of all the measures, the most effective, so far, has been the web-enabled MIS, [www.nrega.nic.in](http://www.nrega.nic.in). used as a democratic platform for tracking processes and outcomes. It systematises a vast swathe of field functionaries, officials, local bodies and workers via a coherent centralised workflow engine spanning the entire country. It spans 31 states (89 percent coverage), 568 districts (94.5 percent coverage), 232,000 GPs and 555,302 villages (92.5 percent coverage). A tight coupling of inputs eliminates arbitrary entries. The MIS software also works offline. The software can be customised to local requirements by modifying or adding features to it. It also allows local language options.

The Mahatma Gandhi NREGA MIS is a household database that records all the details of employment demand, work done, amount earned, and days worked. Funds can be tracked from the point of approval at the centre to the point of expenditure at the village. The amounts held at the various levels can also be seen, the outcomes of expenditure as wages, material, works are also clearly demarcated. Job cards, muster rolls and asset registers are available on the website. The website architecture is based on the processes of the Act. So it is possible to track a job card number through the muster roll through to its account into which wages have been paid. The website processes the basic data entry and automatically reveals all the defaults, aberrations and delays. A list of gaps and breach of guarantees that it shows, for example, includes (a) village-wise names of persons who have registered but not received job cards (b) those who have applied for works but have not been allocated work within fifteen days (c) those who have worked but not received payments within fifteen days (d) whether muster-roll names are of those who have job cards.

Participatory in its construction, the web-based MIS has been evolving through user feedback. Recently, a local language-enabled sound and icon-based ICT kiosk model has been developed for workers to use the system and exercise their rights on their own. This will de-mediate their demand process and access to information. Workers acquire agency through simple ICT methods and this also separates the work guaranteeing agency from the application receiving process. Efforts are on to deepen the ICT infrastructure down to the GP level. This simple ICT penetration will trigger innovations at the grassroots, helping workers to assert their rights and hold implementation agencies accountable.

### **8.5.2 Biometric enabled, ICT applications for enabling workers to exercise rights**

To facilitate workers to exercise their rights to apply for work and receive dated receipts; and to capture authentic attendance on worksites bio-metric based ICT applications are being introduced. Enabling real- time capture of Mahatma Gandhi NREGA processes as registration, work application, issue of dated receipt, work allocation , work- site attendance and measurement with GPS coordinates, wage payments, would reduce discrimination in awarding work, fake muster rolls, ghost workers, measurement and payment delays. The bio-metric data base will be UIDA compliant. The process has been tested on the ground in Rajasthan, and AP and can be scaled up. States need to drive this application in order to customize a non-negotiable core to their contexts. Therefore, while the Centre may, in consultation with States, determine a normative framework, selection of service providers, and operationalisation should be by states.

## **8.6 Fund Management**

Finance interlocks the state and the centre in a crucial relationship as the guarantee to be upheld by the state depends on the financial support by the centre

### **8.6.1 Labour Budgets**

Section 14 of the Act stipulates a labour budget to be prepared by the DPC and approved by the district Panchayat (district level local body). The labour budget is an estimate of labour demand and the works needed to meet that demand. To ensure a smooth fund flow to the districts, labour budgets prepared by districts are discussed with an empowered committee headed by the Secretary of Rural Development with Rural Development Secretaries to assess the fund requirements for an estimated labour demand and the shelf of projects needed to meet that demand. The labour budget projections are on the Mahatma Gandhi NREGA website accessible to all. Works proposed to be taken up are indicated, village-wise, with estimated outcomes in terms of persondays and physical benefits with details of wage and material costs.

Thus, village-level planning is sought to be aggregated as the basis of fund demand in a transparent way. The labour budget estimates are only tentative for the initial release of central assistance, as up front funding for six months. It does not set a fixed limit on budget allocation, either containing demand or being released automatically without demand. As the work season progresses and the actual trends of the demand emerge, central assistance is released based on those trends as well as the trends in the previous working seasons. The guidelines provide that a cushion at the district or GP level be maintained by releasing additional funds when 60 percent is spent, so that at least 40 percent is available to meet labour demands.

## 8.6.2 On- line financial proposals

In a normal course, programme funds are released in two tranches because budget allocations are fixed. But the lack of fixed allocations and the dynamics of labour demand, tends to fragment budget releases for Mahatma Gandhi NREGA despite the fact that it is a law because the budget is demand-based. There are difficulties on both the demand and supply side in assessing and capturing demand. The processing of financial proposal also takes time. A two- fold solution to this has been posited. One, states to set up state funds to simplify the release process from the Centre and for flexible inter-district transfers. Two, financial proposals to be processed automatically through the MIS to prevent delays as well as to be totally transparent. The MIS entries will generate the fund statement and process the additional fund requirement. Since the labour season overlaps two fiscal years, states have been allowed to retain sufficient balances at year- end, for sufficient liquidity with implementing agencies.

## 8.7 Facilitating Audit

### 8.7.1 Developing comprehensive audit rules

There are two kinds of audits in the Act with different processes in which the audit powers are vested in two different constitutional authorities. The CAG audit u/s 24 and the social audit by the gram sabha u/s 17. The Centre has the power to make rules in consultation with the CAG for 'audit of the accounts'. The State Government has the power to make 'appropriate arrangements' for transparency and public accountability'. The challenge is to coordinate the two processes in a way that local communities capacity to audit relevant processes and works are developed. Consultation with the CAG has helped in evolving audit rules that combine audit norms with local community participation. Under the new formulated rules for audit the CAG audit will integrate with the social audit. Effective social audits need facilitation. States have been advised to consider setting up Directorates for social audit that can create a network of resource persons to train local communities in doing social audits. While social audits will be done by the gram sabha, these social audit facilitators will train and help in scrutiny and processing of reports.

The CAG's auditor would help develop the capacity of the Mahatma Gandhi NREGA workers to audit their work records and processes in two possible ways. It would audit not just the accounts but the records and processes of Mahatma Gandhi NREGA, interacting with workers and through a special audit assembly of Mahatma Gandhi NREGA workers, present their findings. This will both inform the workers as well as build capacity that will in turn enhance the quality of their participation in the gram sabha for social audit. The CAG auditor could be present in the gram sabha that conducts the social audit deriving authority u/s 24, to monitor, facilitate and 'audit' the social audit process and its findings. For this the CAG will have to think innovatively, so that it builds community capacity to effectively audit matters relating to its rights. Thus, even while the source of authority and processes of the two audits remain distinct, they will converge in the local community.



## 8.8 Strengthening the Natural Resource Base of Livelihood

The Act envisages the strengthening of natural resources for livelihood and the creation of durable assets. The search for ways of doing this has led to significant policy innovations.

### 8.8.1 Link with farm work

To augment agricultural productivity, Mahatma Gandhi NREGA work can be taken up on the individual land of small and marginal farmers. This is in addition to the present provision of work on the individual land of SC, ST, and BPL families. 82% operational holdings belong to small and marginal farmers. This facility holds the potential to marry wage employment with sustainable agricultural productivity. Some States have realised this potential and have taken up more of such works. Converged with inputs from other sources, such works show the exit way from poverty and the manner in which wage employment can promote food security.

### 8.8.2 Convergence

One way in which productive activities have been encouraged has been through the formulation of guidelines for convergence of Mahatma Gandhi NREGA with other development programmes. The principles of convergence have been shaped within the processes of the law. The key principle is a projectisation of works by bundling inputs.

Mahatma Gandhi NREGA offers a good base for planned convergence of investments. It is beginning to give evidence of a multiplier effect in terms of an increased consumption expenditure, food and water security, and environmental security that has begun to address issues of energy security. To accelerate this multiplier effect and to make Mahatma Gandhi NREGA works the basis of sustainable development, intersectoral convergence within Mahatma Gandhi NREGA is necessary. Initial work on convergence of Mahatma Gandhi NREGA with other development programmes has started. Guidelines on convergence have been issued as broad a framework building on district innovations and discussions with concerned ministries, especially the Ministries of Forest and Environment, Water Resources, Agriculture, and Watershed and PMGSY programmes that have a close affinity with Mahatma Gandhi NREGA works.

There are, broadly, at least half a dozen forms of convergence that have been initiated. Primary earth-work under Mahatma Gandhi NREGA can be firmed up under another Programme for roads like PMGSY, and tanks and check-bunds under irrigation schemes. Convergence may also be spatial because Mahatma Gandhi NREGA makes adequate resources available, and it can meet any resource gaps that may persist in other programmes, such as plantation and afforestation programmes. An integrated project approach may also be taken wherein different activities are undertaken under different programmes such as watershed, or horticulture. Finally, value-addition may be done through other development programmes for primary works under Mahatma Gandhi NREGA, such as fisheries in Mahatma Gandhi NREGA tanks, vermicomposting, and mushroom cultivation, sericulture on land developed, irrigated and planted under Mahatma Gandhi NREGA, especially individual lands taken up under Mahatma Gandhi NREGA. In view of the inter-sectoral approach to Mahatma Gandhi NREGA and the need to create durable assets, the MoRD developed and disseminated guidelines for convergence of Mahatma Gandhi NREGA with different schemes and specific programmes viz., Indian Council of Agricultural Research, National Afforestation

Programme and other schemes of the Ministries of Forest and Environment, and Water Resources, PMGSY (Department of Rural Development), SGSY (Department of Rural Development), Watershed Development Programmes (Department of Land Resources, Ministry of Rural Development), Ministry of Agriculture and Fisheries, and other schemes of the Ministry of Agriculture.

#### **Model Nursery through SHG**

This is a unique intervention on privately owned land in village Kayathapara of Boitamari block in Orissa. The project has been converged with SGSY and KVK and now NREGA. The village has three SHGs, two of males and one of females. There are 350 nurseries in the village of which 29 are supported by KVK under SGSY Scheme. The major nodal SHG is Kayathapara Suniyojan Gut. There is a revolving fund of Rs 25,000 of which Rs 10,000 is Government subsidy and Rs 15,000 is bank loan. The SHGs have taken an IGA loan of Rs 2.44 lakhs from SGSY and a subsidy of Rs 25,000. This is indeed an excellent model where the interventions are made on private land with the land owner himself being beneficiary as a wage earner under Mahatma Gandhi NREGA and in the process receiving a sustainable asset for continuous income in the future along with training and capacity building in a highly specialized field. The village has become a hub for saplings being purchased by the people of North East region.

#### **viii) Professional Institutional Network**

Because of the large scale, decentralised nature of programme implementation, coupled with its multi-disciplinary nature, the strategy for monitoring and evaluating Mahatma Gandhi NREGA at the central level has been through creating professional networks. The centre has initiated a Professional Institutional Network (PIN) which comprises of top professional institutions like the Indian Institutes of Management, Indian Institutes of Technology, agriculture universities, leading administrative and research institutions, ASCI, Indian Institute of Public Administration (IIPA), Indian Institute of Forest Management (IIFM), and Centre For Development Alternatives. Affiliated to specific states, each professional institution is expected to work as a resource support system with a problem-solving approach through a process of field appraisal, diagnosis, and suggested remedial action. This system has the advantage of relating problem analysis with possible solutions, assessing what factors work positively to promote the Act's objectives, and to document and share insights and practices for cross- learning.



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## 9. Policy Innovations by States

The strengths of the Mahatma Gandhi NREGA design emerge best when we look at the way in which it balances room for flexibility with insistence on a normative framework. In fact, what makes it work as a law is the way in which it allows for local solutions to meet the requirements of local prescripts. Such innovations are emerging as instruments of recognising the rights framework. There is a need to watch what is happening in the field, learn from there and develop rights-based instruments in conformity with ground realities. It has been useful to start with the guidelines and then gradually refine and modify them in response to emerging needs, incorporating workable innovations from the field thereby introducing workable solutions into the schedules of the Act or rules.

The Act gains its strength from the ground and needs to evolve rules that are practical and facilitate rights-based processes rather than rigid prescriptions that may be difficult for the rural poor to conform to. There is an interesting situation here. Wherever the Mahatma Gandhi NREGA has been vigorously implemented; it has been the result of innovative methods that evolved locally in response to the challenges of a specific context. The instruments of the rights design may not have been used in the way intended by the workers, but the pressure of law has resulted in local innovations to find solutions to many implementation challenges of the Act.

Theoretically, a demand for work should trigger state action; practically, state action has triggered the realisation of worker's rights. State's proactive measures include social mobilisation drives to disseminate awareness of the Act. Interestingly enough, when the draft Mahatma Gandhi NREGA guidelines were discussed internally, the issue raised was that since as the Act is demand-based and the state is expected to respond only if the workers exercise their choice to demand for work, why should the state be expected to raise demand? Much has been written about the need to generate awareness among the workers. Despite, the legal logic of rights to be demanded of the state, what has made Mahatma Gandhi NREGA work is the administrative arrangements of the state in working towards realising rights. It is true that as a result, an employment-led programme, on the field, resembles previous work-led programmes, spawning complaints about the rights approach missing. But such an impression fails to understand and analyse the complex relation between the workers' capacity to access information and formally articulate choices and the state's role as both the prime mover and facilitator of creating opportunities for the community and a provider accountable to the community. Rights have been understood here as obligations of a welfare democratic state to create conditions of work and provide some basic social security. Wherever the state government has interpreted its role in these terms, it has taken charge of Mahatma Gandhi NREGA and planned its implementation through a mix of strategies. Some of these measures include the following:

### **i) Opening Works on a Large Scale**

The most effective way in which Mahatma Gandhi NREGA has been implemented has been by opening works in advance. The best way to mobilise potential work seekers has been to open a large number of works so that a tangible benefit is seen to be on the ground. This has been the chief means through which the need for employment has been fulfilled even if not formally articulated through the legally prescribed instruments. Rights have been understood as a need and not just as demand.

## ii) Work-site Innovations

- a) **Training local persons as worksite mates** has been attempted as a way to improve work management and so work earnings. This has been especially effective where women were trained as worksite mates to measure and calculate (using calculators) work done. Education qualifications were not an eligibility criteria. Women who even passed their fifth grade were trained to work as mates in some districts. Working groups were disaggregated into small teams of four to make individual work transparent and measurable. This led to the weeding of non-workers, more efficient work execution, transparency and consequently, an increase in wages. The mate model was incorporated in the National Guidelines and promoted through inter-state exposure.
- b) **Worksite demonstrations** to educate the workers on how a work is to be executed and measured and what quantum of work out-turn would earn the wage rate has been introduced in some districts. This sets transparent norms and benchmarks for workers to know how much work they have to do to earn the wage rate and it makes the measurement transparent.
- c) **Convergence at worksite** - The most innovative examples of innovations have emerged at the worksite which provides a platform both human and natural for integrating several development inputs. Examples are in abundance. Land development, contour bunding, agro-forestry, dug-well or farm pond come from Mahatma Gandhi NREGA; pump-set, technical kits from agriculture/horticulture/pisciculture development programmes. Literacy programmes have been transacted with workers on work-sites.

### Mates as Teachers

In the 3 backward taluks of Dharwad, the State Government's Adult Literacy Scheme i.e. Community Learning and Vocational Training was in force under which **121 additional literacy centres were started at Mahatma Gandhi NREGA worksite**. An honorarium of Rs 750 is given to mates who impart literacy at worksite. In remaining 2 taluks which are not under CLVT program, the literacy movement is being run on voluntary basis by mates who have earlier worked as Preraks and Sah-preraks under Continuing Education Program. This intervention led to 3742 labourers becoming neo-literates at Mahatma Gandhi NREGA sites in 2009-10.





### Sustainable livelihood through Mahatma Gandhi NREGA

- Mulayam Singh, a poor marginal farmer in Panna district of Madhya Pradesh owned land that provided food for 3-4 months to his family of seven. He had to work in the stone quarry in nearby villages to supplement food needs. He constructed a well on his land under MGNREGA and earned Rs. 5000/- as wages on it. This reduced his dependence on rain, and augmented food grain production. Mulayam Singh diversified to sugarcane and grew vegetables for self-consumption and selling. Working under MGNREGA, he did bunding on his land to protect his field from wild beasts and so enhancing yield as well as earning Rs. 3000/- as wages for this work. Diesel Pump , bio gas, pipe line and vermin-compost were added to his agriculture package through convergence by the MGNREGA District Programme Coordinator.. Such convergence with MGNREGA works along with assured earnings under MGNREGA encouraged application of progressive farming methods. Not only is Mulayam Singh now confident of providing food for his family throughout the year, he dreams of educating his grandson for an 'officer' job



Job Card.- MP 1709-002-009-01/213



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### iii) Law as Opportunity for Governance Reform

A legal framework for programme implementation and its constant scrutiny has compelled a constant review and refinement of policies critical to improving delivery systems. As indicated here, there are many legal mandates in the Act whose compliance and fulfilment require the presence of certain conditions in terms of individual and institutional capabilities, systemic capacities and structural. The implementation of law has foregrounded these gaps and directed action towards them. To cite some examples:

- a. An independent Directorate for social audit in some states (Andhra Pradesh and Rajasthan )
- b. Devolution of greater financial sanction limits to GPs (Madhya Pradesh and Karnataka)
- c. Amendment in the State Panchayat Act to make PRIs accountable for their action under Mahatma Gandhi NREGA (Tamil Nadu)
- d. Strengthening village planning in local councils through greater women participation (Meghalaya)
- e. Involvement of self-help groups for workers' facilitation (Kerala and Andhra Pradesh)
- g. ICT enabled help line for citizen access (Uttar Pradesh and Orissa)

A law is effective first, as an instrument for governance rather than just an instrument for individual assertion of rights. The latter without the former would lead to delay and procrastination in action for fulfilling those demands. Laws for assertion of rights by citizens compel governance reform.



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## 10. Multiplier effect of Mahatma Gandhi NREGA

The discussion above indicates how Mahatma Gandhi NREGA exemplifies the multiplier effects a social protection programme can have. Although elaborated in preceding sections, these are briefly summarised here, in view of the significance they have in the discourse on social protection frameworks. These emerge at two levels: One at the ‘target’ level, i.e. on the worker, and works, two, at the level of governance, i.e. delivery systems and interface processes between state and citizen.

### 10.1 Multiplier effects at the ‘target’ level (worker and works)

At the level of the worker and the work, multiplier effects are perceptible in many ways as greater access to a larger range of basic goods and opportunities constitutive of socio-economic development, such as the following

- i. Provide a subsistence wage that may supplement other income source or help cope in lean seasons.
- ii. Predictable and assured wages, specially if held in institutional accounts, stimulate savings to procure desired assets, that can be both social or economic, such as house improvements, transport, production equipment or machinery, livestock.
- iii. Enhanced incomes help in diversification of expenditure and enlargement of the consumption basket: food, education, clothes.
- iv. Gender equity is promoted with women earning equal wages, having independent bank accounts and deciding how to spend their wages.
- v. Income supplements, coupled with institutional accounts, also help in accessing credit
- vi. Increase in purchasing power of the rural poor, opens new markets for private enterprise, that in turn has the potential for creating new jobs in rural areas
- vii. Assured ‘floor’ wage rates strengthen the wage negotiation capacity of the poor.
- viii. If the nature of work relates to natural resource management, they contribute to enhancing the productivity of soil, augment water tables, increase vegetal cover.
- ix. Enhanced productivity of land stimulates agricultural productivity and in turn enhances income for livelihood and consumption diversification
- x. Labour intensive, green jobs are exemplar adaptation strategies for climate change. They combine economic advantages with environmental services

### 10.2 Multiplier effects on governance

#### 10.2.1 Deepening Democracy towards empowering people.

Mahatma Gandhi NREGA is emerging as an intervention with potential for strengthening democratic processes. Evidence of this can be garnered within the functional field of Mahatma Gandhi NREGA. The Mahatma Gandhi NREGA design facilitates procedural and substantive democracy. Procedurally, instruments are designed to transfer power to make choices to the people and to make the state accountable to the people.

Substantively, a combination of several factors such as the legal rights framework, productivity-linked works and a vigilant dynamic wage rate policy transform a social protection programme from its conventional association with dependencies, dependency on doles and dependency on the State, into an empowering process. Indicators of empowerment are varied as they are located in different socio-cultural contexts, but they are becoming increasingly visible with time. The operation of rights in a context of entrenched inequalities, and hegemonies acquires a radical edge, a far cry, indeed, from a traditional social safety net that tames the already timid through the power of a discretionary and patronising welfare. The assertion of rights by the poor has often witnessed conflict and contestation, disruptions and discontent, indictment and invective. But challenging and changing given equilibrium of power is likely to be signalled by conflict. Once this happens, it can take a liberating turn or repressive, and in a fair measure, the response of the state has a critical bearing on this. Mahatma Gandhi NREGA makes for an interesting study in this regard. It underscores the radical and transformative potential of a democratic state. In the face of such conflicts, the state has opted for liberating policy instruments that seek to create increasingly more equal space for interaction. This is evident most in the recent audit rules drafted by the Central Government that exemplify an innovative way of making space for audits inclusive and open so that conflicting interests are brought to a common forum where the interaction of different stakeholders is expected to resolve issues. Recently drafted audit rules are an example of the way in which the Act can forge institutional mechanisms for the poor to articulate and demand their entitlements, to interrogate action by the State and so evolve a ground of increasingly equal dialogue. Innovations in business process re-engineering through the use of technology, or through new instruments of financial inclusion all aim at expanding the space for inclusive growth.

The chief protagonist is the 'community' within the logic of the rights framework of the Act with the government as the subordinate, supportive actor. Since mediation by the government can be seen to be disempowering or consolidating existing hegemonies, there is a demand for greater space for civil societies organisations. While there is immense value in this, the heart of the Act is in making everyone accountable to the people, irrespective of their status within or outside the formal structures of authority or of the government. The measure of the effectiveness of all processes, all mediating agencies is its transformative effect. Does it create more equal space for transactions, are citizen rights the ground for state action? How effective are the institutional mechanisms for public accountability, transparency? Innovations in business process re-engineering through the use of technology, or through new instruments of financial inclusion all aim at expanding this space to make it more equitable, inclusive and citizen-driven. Above all, how accessible and fair are grievance redressal systems? Discussion in Mahatma Gandhi NREGA is beginning to focus preponderantly on these issues, nudging its management processes in a way that has the potential to re-define the state as not just government but as society and its public representatives—in which—ever form they represent—political, local bodies, bureaucratic, or civil society organisations.



## 11. Reasons for the Effectiveness of the Mahatma Gandhi NREGA

Since most design elements of Mahatma Gandhi NREGA have been gleaned from previous wage employment programmes, the question that arises is what makes them effective now in a way that they were not before? To what extent are the reasons related to the design itself, and what is owed to the context in which the design operates?

### i) Political Context

Mahatma Gandhi NREGA works because it is a law backed by political will and it has excited the political imagination of the State. It is driven at the centre by the political support of the ruling UPA coalition. The impetus behind the Act is the leading partner of the coalition – the Indian National Congress, supported by all parties that formed the coalition. With its thrust on employment provided locally, and its wide reach, the Act enjoys high priority in the central government's agenda. The political support to the Act is regardless of the fact that the party in power in states is different from the one at the centre. Public association of state's political leadership with the scheme under the Act give much needed support for its implementation in the states. Over time, it is interesting to note, that the Act started to garner political support from states where this had initially not been so forthcoming. The reason being that this was an Act that guaranteed rights to the rural poor – a critical political constituency.

The design of Mahatma Gandhi NREGA contributes to political support. It generates an immediate outcome as wages in the hands of the workers. Transfer of benefits to a critical political constituency in a short term ideally suits the finite tenure of an elected political representative. In addition, it offers the potential of medium and long term benefits that can provide a platform for scaling up incremental benefits.

### ii) Legal authority

The very fact that the programme is governed by law has made it different from other wage employment programmes. It instills a sense, no matter how nascent, that there is a law and therefore, work must be provided to the local labour that may be in need of it and who demands it, even if it is difficult to conform to all the prescribed procedures. The continuous repetition of statutory procedures, despite the fact that they are not necessarily followed, does underscore the necessity of providing employment under Mahatma Gandhi NREGA, and that not providing employment would be evidence of the state's neglect of the law, and not of the absence of demand for work by the people. The sense of legal compulsion also steers action at the central level.

With development policy cast as law, the Government subordinates itself to a framework of accountability for its action in a law court. Intimidating as it may be to implementation agencies, it is a safeguard for citizen rights guaranteed by the Act.

### iii) Decentralisation

#### a) Decision-making space for states

The design of law encourages state governments to develop schemes under the Act. In other words, the Act is a broad overarching framework which lays down a set of non-negotiable features through the main body of the Act and the schedules. States can then formulate schemes that incorporate these features. The schemes are the instruments for the Act. States can also enact laws that incorporate the features of Mahatma Gandhi NREGA. Therefore, the design of the Act places the onus and ownership on the states. Further, and even more importantly, it leaves the decisions and control of the schemes and the Act with the states, even while funds for implementation are from the centre. This local decision space enables proactive measures like opening works to identify those in need of work and mobilise them, so that rights of workers are recognised not just as demands, nor as a sequence of 'application' procedures, but as the need of workers that the government is obliged to fulfil.

#### b) District as the unit of administration

The district makes for a feasible and effective unit of implementation with the District Programme Coordinator (DPC) - mostly the district collector, or the chief executive officer of the district panchayat in some cases - responsible for the guarantee being implemented. The coordination powers of the district collector backed by resources and administrative authority has helped in providing a unifying leadership at the district-level.



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#### c) Role of local bodies

The local bodies, PRIs, have a principal role in planning, implementation and monitoring. This is especially important at the village level, where the local body, the GP has the unique advantage of being located in the local village community as well as being the main institutional outreach of rural development. At least 50 percent of the works in terms of cost under Mahatma Gandhi NREGA should be implemented through the GPs. In most states almost 90 percent works are being executed by the GPs. Under Mahatma Gandhi NREGA, funds, functions

and functionaries have been given to GPs. In FY 2009-2010 the average funds available per GP were INR 19.8 lakh (approx. US\$ 44,000) for Mahatma Gandhi NREGA works; the average expenditure per GP was INR 15.2 lakh (approx. US\$ 33,700). This was a 242 percent increase over the amount a GP received in the previous WEP.

Decentralisation creates space for flexibility and innovation that helps evolve local solutions to a number of issues that appear to pull in different directions, given the unequal capacity of different contexts. In fact, local innovation has been the main offspring of the legal design and the vehicle for its vibrancy. Care should be taken not to override local choices and priorities, determine micro details, regulate and over-prescribe procedures.

## 11.1 Financial Support

### i) Central Share in Financial Assistance

The pattern of assistance from the centre as laid down in the law is a major incentive to states to implement the programme. The centre bears 90 percent of the cost, in addition to 100 percent of the administrative expenses up to the permissible limit, for implementing the Act.

### ii) Demand-based Financial Assistance

The budget is based on the principle of demand. An initial budget provision is made, that is open to augmentation according to the labour demand that may rise. A demand-based budget has been a transition from fixed-allocation based budgets. This has inspired confidence in implementing a programme on a large scale and meeting cost increases in case labour participation is higher than originally estimated. States can negotiate the size of the assistance from the centre as per labour demand.

### iii) Commitment of Budget Resources

The legal guarantee has compelled a commitment of financial resources to the programme. Earlier WEPs that sought to guarantee financial resources were constrained by the lack of budget funds. So instead of a legal guarantee, non-legal assurances alone could be offered. It is possible that the confidence of the government to commit funds was inspired by a higher economic growth rate. But the significant point here is that even when the economy slowed down as a result of the global meltdown, the budget support to Mahatma Gandhi NREGA did not diminish. The budget support is INR 40,100 crore (approx. US\$ 8.77 billion) for FY 2010-2011, which maintains the budget provision of INR 39,100 crore (approx. US\$ 8.55 billion) for FY 2009-2010. The budget support to WEPs before Mahatma Gandhi NREGA was the highest in the year 2005-2006 when SGRY and NFFWP were both being implemented – SGRY in all the districts and together with NFFWP, in 150 districts.

The cash component was INR 10,000 crore (approx. US\$ 2.19 billion) and food grain worth INR 4,500 crore (approx. US\$ 984.9 million) making the total budget outlay INR 14,500 crore (approx. US\$ 3.17 billion) with an opening balance of INR 4,674 crore (US\$ 1.02 billion). This added up to INR 19,173 crore (approx. US\$ 4.2 billion) for the FY 2005-2006, which was the transition year from the earlier WEPs to Mahatma Gandhi NREGA. This is based on the cost at which wages were paid to the workers.

The Ministry of Food and Public Distribution was however paid on economic cost and if that is taken into consideration, the total cost would go up by INR 1,344 crore (approx. US\$ 294.15 million) to total INR 20,517 crore (approx. US\$ 4.5 billion) from INR 19,173 crore (approx US\$ 4.2 billion). With the entire country now under Mahatma Gandhi NREGA, the central budget resources available for 2010 are INR 49,000 crore. (approx. US\$ 10.72 billion) (budget provision and spill-over from the previous year). The rate of increase is between 139 to 156 percent Thus, average outflow per district has gone up to INR 81 crore (approx. US\$ 17.73 million) under Mahatma Gandhi NREGA from INR 31 crore (approx. US\$ 6.79 million) under the erstwhile SGRY and NFFWP.

#### iv) **Self-targeting, Demand-based universal access**

The Act is universally applicable to anyone who demands work under it. The only eligibility criterion is local residence in a GP. The worker may apply at any time of the year for any number of days up to the guaranteed employment of 100 days in a year. The budget for providing such employment has to be made available to implementing agencies. This reduces space for long-winded bureaucratic procedures of identification, verification, certification and selection – much of which can lead to rent-seeking. The universal guarantee without pre-determined quantitative and qualitative targets and with a demand-based budget support steer the programme benefits away from rationing as well as from arbitrary cut-off lines that tend to exclude those persons and groups most in need. The motivation for the wage-seeker, lies in the following design features:

- a. Self-targeting, with no specific eligibility criteria
- b. No pre-requisite skill
- c. Provision of work responsive to labour demand. Work may be availed of at any time of the year, dependent upon the workers' needs
- d. Local employment, as work to be provided within a five-kilometre radius of the place of residence
- e. Flexibility of working hours as workers may drop in and out
- f. Works category permits both individual benefits and public assets
- g. Assured wage rates

## 11.2 **Administrative Support**

A law that operates at highly decentralised levels requires strengthening administrative support systems. This has been factored into the legal design in many ways. The centre has the power to determine administrative expenses, which it has to fully fund. Currently, the permissible administrative expense is fixed at 6 percent of the total cost of the scheme. States can incur up to 6 percent on their administrative costs. This includes personnel and processes like monitoring; training; information, education and communication (IEC); social audits; and MIS. Using this provision, the centre has directed states to augment technical support to the programme at all levels. Dedicated personnel have to be deployed for managing critical programme components like ICT, social audits, works, and grievance redressal at the block, district and state-levels. Each GP has to have a dedicated assistant or GRS. Besides the additional personnel right down to the GP, states have been advised to establish technical units for deploying necessary personnel to implement the schemes under the Act. The Act mandates the state to delegate administrative and financial resources to the DPC responsible for



ensuring the proper implementation of the Act. The central government can determine the permissible limits of administrative expenses according to requirements. This is a very critical component of the legal design as it anticipates considerable increase in the demands on the administrative system and factors it in as a legal obligation of the government.

### 11.3 Transparency and Accountability

Transparency has been mandated in the Act through documents and processes:

i) Chief among the documents is the job card issued to the worker and expected to be in his/her custody as a record of rights. All data on employment demanded and received and wages earned is recorded.

ii) In terms of processes, there are at least three ways in which the RTI has been integrated with Mahatma Gandhi NREGA. Firstly, the Act mandates that all information be proactively placed in the public domain. Secondly, any information demanded should be given free of cost. Thirdly, social audits by the village assembly or GS, which go beyond the RTI, fixes accountability and seeks correctives measures.



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iii) The Comptroller and Auditor General (CAG) is also responsible for auditing the schemes.

iv) A significant measure for infusing transparency in Mahatma Gandhi NREGA transactions has been through the amendment in the schedule of the Act to make wage payments through Mahatma Gandhi NREGA workers' institutional accounts mandatory. Eighty eight million such accounts have been opened in banks and post offices. Almost 80 percent of the wages of the workers is disbursed through their accounts.



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v) A Central Employment Council has been set up as a statutory mechanism for monitoring the implementation of the law and reviewing critical processes like social audits and grievance redressal. The Council creates a structure for transparency and public accountability within the MoRD.

All such measures mandated by the Act have placed it under constant public gaze and at the centre of a loud public debate and dissonance. Conversely, such relentless scrutiny was the result of enacting a law for wage employment with large public investments expected to impact poor rural households.

## 12. Way Ahead

The way ahead needs to address issues related to (a) building capacity of the system to deliver a legal guarantee (b) developing capabilities of the people to demand rights and hold the Government accountable (c) revisiting the Act to make it an instrument for more sustainable development.

### 12.1 Building Capacity of the System to Deliver a Legal Guarantee

The rapid expansion of the outreach of the Act has revealed existing gaps in the system. Some of these need immediate attention because they relate to the capacity of the system to deliver a legal guarantee.

#### i) Building Capacity of PRIs and Other Institutional Agencies

Foremost is the need to build the capacity of the PRIs. Physical infrastructure of the GP has to be strengthened and be made ICT enabled. Human resources at the GP level have to be strengthened. With an Act to enforce, the GP has to become a mini-secretariat, with a strong contingent of staff trained in the tasks to be performed. While implementing the Act is itself a process of learning and an opportunity for growing, the capacity of the PRIs needs to be constantly and formally developed both in terms of generic skills and professional resource support.

Similarly, other institutional agencies need to be oriented towards the administrative requirements of a demand-based law. Professional support at each level has to be strengthened to increase efficiency and dedication to the multifarious issues that implementing the Act throws up. While numerous trainings are held, the process and quality of training needs much improvement.

#### ii) Fund Management

A critical aspect of implementation that needs review is fund management and the budget release process. The budget is demand-based. There are difficulties on both the demand and supply side in assessing and capturing demand as well as in prompt provisioning of it. The difficulty is in formal articulation of demand and in estimation of employment required. Planning appropriate works is just as difficult. Works have to be appropriate both in terms of seasonality of labour, and the time of the year. Besides circumstantial exigencies can aggravate labour demand. This makes the formulation of the labour budget a challenge. The labour budget can provide a broad framework for planning fund requirements and fund release. But the fund release principles and mechanism will have to factor in its inherent character of approximations (rather than accurate forecasting) and the fluidity of labour and work situation. In addition, implementation gaps do not adequately capture demand and generate the full 100 days of work or the maximum that may be needed. Anticipated demand and actual performance in such a scenario are reflections of limitations in planning and implementation capacity rather than of latent labour demand and often very urgent need for work. However, these limitations in planning and implementation create problems in financial resource assessment and release. The labour budget mechanism creates a framework of agreement for central assistance.

But the budget release process remains tied to the methods of an allocation based budget. Instruments are evolved and refined in the light of experience to introduce some parameters that 'fix' financial requirements and convert an open-ended, fluctuating, labour demand into finite predictable units on which the funds can then be released.

However, the instruments as suggested do not easily lend themselves to such an exercise. As a result, the actual release gets affected by a number of factors. These factors may relate to documents such as utilisation certificates and audit reports. Or there may be a difference of perception about ways of evaluating labour demand and performance trends that can lead to a situation where fund release gets affected in a way that inhibits the provision of work. If a district generates a certain measure of employment during a certain period, it is assumed that, that is a representative pace and it determines the volume of employment that it will generate incrementally. Funds to be released get determined by that. This means that funds are getting determined by the capacity of implementation (a target programme approach) rather than by the potential demand, which would be needed in a rights-based approach. After all, it is perfectly possible that a district may have a huge spurt of demand towards a certain period of the year, quite different from its precedent demand pattern. But if its claim to funds is tempered down by what it has done before, it will artificially suppress demand. In a normal course, programme funds are released in two tranches because the budget allocations are fixed not just for the programme but also for the states and districts. But the lack of such fixed allocations and the dynamics of labour demand, tends to fragment budget releases for Mahatma Gandhi NREGA despite the fact that it is a law. Further, labour season also overlaps two fiscal years. There is a need to ensure sufficient liquidity with implementing agencies. In principle at least 40 percent should remain as cushion to meet demand. But the problem again is ascertaining the quantum of demand anticipated. Various criteria for striking a feasible balance between past trends and future projections have been evolved over the implementation period.

But there is a need to refine them further in the light of experience gained. There is also the concern of the Ministry of Finance that opening balances in a new financial year should not exceed 10 percent of the available budget. This is prudential finance for fixed target programmes. But it may not be a practical arrangement for Mahatma Gandhi NREGA as the peak working season spills over two financial years, and fund transfer to the village level takes nearly 45 days. It becomes necessary to keep at least two months estimated expenditure with the implementing agencies for them to meet labour demand at its peak season, which is also the transiting period from one fiscal to another. The opening balance concept, relevant to a conventional fixed allocation programme, needs to be modified towards the concept of a mandatory upfront funding to meet the time bound guarantee of the Act. Availability of adequate funds in advance is a pre-requisite to acknowledging demand and opening works. Otherwise there is a suppression of demand. The scale and volume of employment generation is directly related to the quantum of funds made available not just to the district but right down to the GP, where the work has to be provided.

Mahatma Gandhi NREGA fund management should be reviewed. The Act actually provides for the National Employment Guarantee Fund (NEGF). This could be an opportunity for creating a new institutional mechanism for holding fund and fund release. However, the NEGF has not yet been leveraged in this manner. Institutional imagination is needed to make the NEGF a vehicle for holding and transferring funds committed to a legal guarantee.

## 12.2 Building Capacity of Workers to Articulate and Demand their Rights

The discourse and insistence on ‘demand’ by workers and its acknowledgement through dated receipts has initiated an intense discussion on how this can be made possible, given the limitations of the workers’ formal skills and informal bargaining capacities. Ability to formally articulate demands and participate in informed GSs are possible only through development of functional literacy among the workers.

This will be, at least, the first step towards acquiring capabilities to negotiate with the context themselves, rather than depending on an external mediation. Instead of the conventional adult education literacy strategies, innovative measures are needed to induce basic literacy skills in the workers so that they can script and interpret their opportunities and rights. The Adult Education Programme of the government should primarily target the Mahatma Gandhi NREGA workers. The real evaluation of the adult education initiative should be whether Mahatma Gandhi NREGA workers can write their applications and read their records like job cards, muster rolls and passbooks and use their literacy skills for more informed social audits.

## 12.3 Leveraging Mahatma Gandhi NREGA for Sustainable Development

- i) A central concern to be addressed is the productive use of Mahatma Gandhi NREGA resources so that Mahatma Gandhi NREGA is able to fulfil its guarantee to strengthen the livelihood resource base of rural households and its objective to create durable assets. During drought in parts of the country, there is a demand that Mahatma Gandhi NREGA increase the number of days of work. Mahatma Gandhi NREGA runs the risk of mutating into an ‘instant relief’ grammar. The real relevance of Mahatma Gandhi NREGA is that it can lead to mitigating drought and flood and other natural disorders if works under Mahatma Gandhi NREGA are properly planned and executed. Proper works planning is the key to prompt response to immediate employment demand and the basis of sustainable livelihood. There is a need to integrate planning abilities and appropriate technologies with the planning process prescribed in the Act. Bottom-up and top-down dichotomies need to dissolve into a more synthesised participatory process. Districts are required to formulate five year district perspective plans through participatory processes as well as technical support from experts. Various models of participatory planning for sustainable development have emerged. Mahatma Gandhi NREGA provides an opportunity to learn from them.



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- ii) The typology of works enables meeting both short-term needs and longer-term sustainable development issues, as it lists desired outcomes of activities rather than specific works classification: water conservation, drought proofing, flood proofing, minor irrigation, land development. Legally, this allows a sweeping range of works that can be taken up to achieve the outcomes prioritised in the Act. This allows enormous flexibility in selection and convergence of a wide variety of works. This aspect of Mahatma Gandhi NREGA needs greater attention.
- iii) Quantification of environmental services by the rural poor through the green jobs that Mahatma Gandhi NREGA permits has been initiated on a small pilot basis. This will not only assess the impact of Mahatma Gandhi NREGA works as an adaptation strategy to climate change, but they may also help build their case for co-benefits of environment services rendered through carbon credit. Such quantification studies need to be mainstreamed into regular programme tracking through appropriate institutional networks, at a regional level. Moreover, their methodologies and the lessons yielded should not be confined to academic debates but must be forged into instruments of community learning and conscientisation. This can be done through participatory methods of 'on site' appraisals, where the work undertaken becomes a kind of a rural lab. Sophisticated quantification studies need to make this move towards the local community of workers and the local bodies whose decisions and actions affect and are affected by climate change.
- iv) Convergence should be effected in the plans made for the district and the pooling of financial and technical resources so that existing public investments are optimally used and the focus can clearly be on development outcomes rather than on just discreet schematic input targets. Other programmes will gain through additional resources available under Mahatma Gandhi NREGA as untied fund for local planning and use, to be flexibly dovetailed with their objectives. Even while spatial convergence through works has been initiated, in some measure 'human' convergence by coinciding multiple investments in the same person needs greater efforts. This is possible as Mahatma Gandhi NREGA workers constitute an identifiable group with unique ID numbers and job cards with a database on the Mahatma Gandhi NREGA website. Mahatma Gandhi NREGA workers should be chosen on priority under programmes like SGSY for formation into SHGs, skill development and placement programmes. Adult education programmes and health programmes should specifically target them.
- v) Social security schemes for health and life insurance like RSVY, Janashri Beema Yojana have been extended to Mahatma Gandhi NREGA workers. RSBY is likely to be extended to Mahatma Gandhi NREGA workers. This opportunity should be fully tapped to enhance the social security cover to workers. Persons from tribal groups who have benefited under the Forest Dwellers Act that gives rights to forest dwelling families to work on their lands should be encouraged to ask for work on their land under Mahatma Gandhi NREGA that should then also be linked with other schemes of agriculture and income generation. Such convergences will add value both to Mahatma Gandhi NREGA works and workers, by adding the dimensions of technical quality and good planning, skill-building and income generation through linkages with other programmes.
- vi) Increase in funds, and extension in the scope and scale of the programme will necessitate change in the nature of works and employment because the capacity of the current list of works executed by unskilled manual labour to generate employment will be very limited. The list of works has to be expanded. This implies a consideration

of new works, which may be within the existing law. Within the existing provision, there is considerable scope of expansion. Since permissible works relate to natural resource management, and a logical corollary would be to open them up to include a range of agricultural/horticultural/agro-forestry activities as a comprehensive project, so that there is a clear focus on productivity. New works may also include infrastructure, such as rural housing, school buildings and playgrounds. Unskilled manual labour may also include social services like sanitation and cooking midday meals. All this can be considered within the present scope of the Act.

- vii)** However, Mahatma Gandhi NREGA has the potential for sustainable development and it may be worthwhile considering implications of going beyond unskilled labour. The big question is whether Mahatma Gandhi NREGA should remain a guarantee of unskilled hard labour. There are reasons that it is not desirable to limit the instrumentality of employment to unskilled manual labour. With the large investments that the Act will require, the issue will be whether such investments should not be used for more sustainable employment opportunities stimulating both growth and equity. Confining Mahatma Gandhi NREGA to unskilled manual labour will only be a means to coping with poverty, not of ameliorating it. Unskilled manual labour was meant to make it self-targeting so that only the very poor would seek work as a last resort. Limitation of choice to only unskilled work, ironically, undercuts the principle of rights, inclusion, and equity, as the legal design of work does not make the terms of inclusion equitable. It offers bottom-of-the-scale tasks with no chance of upgradation of skills to those with least opportunities. The unemployed and deprived will continue to be engaged in conditions of work that despite a legal guarantee and considerable financial resources perpetuate their lack of opportunities and capabilities. This will further reduce their ability to access any other opportunity of employment that lifts them out of intergenerational deprivation. Meanwhile, those with historical advantages will continue to access higher employment opportunities adding value to their skill and knowledge. A safety net creates the possibility of immediate relief but is not designed to address issues of the quality of equity. Quality and equality of opportunity are necessary conditions for any serious commitment to securing livelihood. If Mahatma Gandhi NREGA continues in the way it is, as unskilled manual labour with large funds, and a quick fifteen day time-bound, work allocation, it tends to become a major employer in the market. Even without a guarantee incentivising the choice of unskilled labour, exigencies of poverty often force skilled artisans to stone-crushing. De-skilling rural workforce will run counter to the need for value addition in the employability of the workforce. All the more reason for the Act to be sensitive to the needs of sustainable employment, so that its direct intervention in the market develops skills relevant to market demand and enables higher bargaining powers among the workers. This will create a design of sustainable employment that backed by a legal guarantee and budget support is also a safety net.

Including skilled manual work in Mahatma Gandhi NREGA will help in value adding to the productivity of works undertaken and directly impact individual income. It will help the rural economy in transiting from a vulnerable base of casual unskilled labour to one of skill and self-reliance, making rural employment truly a growth engine. By creating more tangible, measurable services and assets the chances of leakages and mismanagement are reduced. By making the money already being infused into the rural areas in the hands of the poorest resources for furthering their economic and social development, the rural poor get a chance of transiting from wage-earners to an income-earning self-reliant community.

Thus, both on the ground of large financial resource investment as well as the need to move from mere wage employment to sustainable employment, there is a case for a need to enlarge the basket of employment to include skilled manual work as well. For this the Act could be amended. The word 'unskilled' as qualifying adjective should be removed to describe labour, opening the way to skilled manual labour. This diversification of work will encourage value-addition, like processing, to farm activities as well as encourage non-farm activities like handlooms, handicrafts and other artisan works. It will open a whole range of opportunities even as manual labour, for developing skills and knowledge. Skill development in specified economically-relevant activities could be taken up with a stipend for 100 days to be paid to the trainee. A condition could also be attached to skill development. Those who have done a stipulated number of unskilled manual labour to develop a community asset could then be graduated to skill development. The guarantee, then, would both improve employment and employability. The non-farm workforce like rural artisans and technicians will gain through this. Training stipends can be paid as wages so that even the 'unskilled labour' develop relevant skills and are able to access better employment opportunities independent of government guarantee. This would integrate a range of productive works in a guarantee band instead of a superimposed grammar of convergence, which given the present government structures is not easy. Such diversification of rural employment, as a result of a design modification will be the real stimulus to economic growth, rather than just increase in financial outlays.

The time is ripe for leveraging Mahatma Gandhi NREGA into a rural employment guarantee mission backed by law. The way forward for Mahatma Gandhi NREGA is to become what the country needs – a guarantee for rural employment that is sustainable and leads away from poverty.

What is needed is institutional imagination to implement schemes under a law. At present, the implementation structures are the same as for any other programme. A law for employment is bound to be multi-disciplinary and inter-sectoral and will encounter problems unless an institutional mechanism empowered to deal with this intersectorality is set up. Mahatma Gandhi NREGA is presently confined to being a scheme of the Department of Rural Development and despite location in the PRIs encounters problems of coordination between PRIs and district administration structures. Even obvious linkages with MoRD schemes like watershed and SGSY are difficult to effect because the law gets confined to a scheme. This is deleterious both as development process and as law. It obstructs tapping optimally into the productive potential of Mahatma Gandhi NREGA, in the name of legal norms; yet, at the same time legal mandates are overlooked just to use the Mahatma Gandhi NREGA funds for works that the district or the state decide must be done. These inconsistencies reflect structural limitations to use and enforce a law for employment. For Mahatma Gandhi NREGA to evolve into such a law, an institutional mechanism that spans different agencies and sectors is needed. Institutional opportunities are presenting themselves, such as the skill building mission and the national livelihood mission. An over-arching authority can be conceived of with representatives from organisations (ministries and financial institutions) that run schemes (rather than just works) notified under the law. The law would then mandate that the applicants registered under law would work according to their demand in ongoing projects. Such projects would give priority to the demand of registered workers but would be able to employ unregistered as well because without that it is difficult to ensure completion of projects. The current situation of discreet unskilled activities would transform into skilled productive resources.



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The National Rural Livelihood Mission (NRLM) offers an institutional opportunity to consider. The current structural problem is that both a law – Mahatma Gandhi NREGA as well as an implementation mechanism – a mission (NRLM) get restricted to a scheme. In the case of Mahatma Gandhi NREGA, a law and a scheme both become one, although the Act does give conceptual and operational flexibility to distinguish between the two. The Act refers to the schemes to be made under the law by state governments that should incorporate the non-negotiable features of the two schedules. However, what has happened is that the broad processes indicated have alone gone in to define the scheme under the Act. It should be possible to have diverse schemes under the law that adhere to a statutory framework but address the problem of poverty in specific contexts through context-specific processes. This would allow for easier integration of Mahatma Gandhi NREGA resources with other development initiatives. It would take Mahatma Gandhi NREGA away from its somewhat stand-alone status and locate it in the local context that makes local development needs the focus of planning and integration, rather than a programme that can draw funds. This would be more cost effective and a more organic ‘bottom- up’ approach of convergent district planning rather than sectoral guidelines issued from central ministries on convergence and integrated planning, that by the very nature of separate structural identities make the process difficult. In other words, convergence takes place in local spaces. Development action tends to be driven by facility and quantum of financial assistance available.

Mahatma Gandhi NREGA in this sense tends to be the focus of local decisions. But its potential gets limited by its excessive procedural detail and by its confinement to ‘unskilled’ manual labour. Both these limitations of Mahatma Gandhi NREGA need to be transcended as they may tend to ‘regress’ local choices to what can be done under Mahatma Gandhi NREGA, making Mahatma Gandhi NREGA a ‘whole’ of which others seek to become subsets. It is only if Mahatma Gandhi NREGA opens up to different schemes of poverty alleviation to come under its broad umbrella can such a relationship between a national Act and local schemes as subsets, be a liberating one.



NRLM seeks to support self-employment through credit linked schemes and training, including placement linked training. But it is inevitably, dependent on several factors outside its design and resources market and financial institutions. Its processes will need time to evolve and ground themselves. If Mahatma Gandhi NREGA workers were organised and brought under skill-development initiatives and if accounts that have been opened under Mahatma Gandhi NREGA for their wages were leveraged for financial literacy and a range of financial services, their wage earnings, thrift, skill development with credit planning could become the basis of diversifying their livelihood opportunities. This could be one way through which the wage earning guarantee under Mahatma Gandhi NREGA could provide the basic security in the interim period as the workers explore opportunities structured to move them towards self-employment. Wage employment with legal backing is assured of funds but its scope of employment is limited and it only helps in coping with poverty not getting out of it. NRLM with the potential for facilitating pathways out of poverty without the compelling force of law may not get the guaranteed resource support. NRLM also runs the risk of an overall structural mechanism (a mission) getting reduced to a schematic format, in which case both the structural mechanism and the schemes under it will lose the much desired flexibility – one basic rationale for moving into an NRLM mode. The structural way out of these limitations is that Mahatma Gandhi NREGA without the qualifying ‘unskilled’ should be the law for which NRLM should be the policy instrument for evolving implementation mechanisms for a number schemes of employment and employability (developing employment capabilities) inclusive of unskilled labour and skill development and organisation into collectives for thrift and micro credit activities. Just as with Mahatma Gandhi NREGA, government guarantee intervened in the market and raised wages for unskilled labour, perhaps the same may be expected for skilled labour if it gets Mahatma Gandhi NREGA backing and the rural poor will access not just jobs but acquire the power and capability to bargain for jobs.

One apprehension that gets in the way of liberalising the Mahatma Gandhi NREGA is that this will encourage impossible demands on financial resources. Although not confined to specific groups like below poverty line, or specific areas, like tribal or low-productivity areas, and open to anyone who demands work, the check on budget requirement currently is through the stipulation of unskilled labour-intensive work, that in a way keeps it self-targeting. Financial commitment is the backbone of a legal guarantee that seeks to strengthen livelihood opportunities. The suggestion is that it should be possible to calibrate eligibility categories for different forms of skilled work in an inverse relationship with economic capacity. Schedule I paragraph one lists permissible forms of works, in which specific individual benefits are restricted to specific categories of families, such as SC, ST, BPL, families and small and marginal farmers. Similarly, specific forms of skills development could be listed and this facility could be made available to BPL families who have already done hundred days of unskilled manual labour. This will marry the skills development and group targeting of the NRLM with the legal guarantee of Mahatma Gandhi NREGA, making the targeting under skills development programmes a lot more effective and a value addition to the employability of the Mahatma Gandhi NREGA workers, who could then be organised into SHGs and woven into the micro-credit programmes.

## 13. Mahatma Gandhi NREGA: Emerging Lessons

There are significant lessons that emerge from Mahatma Gandhi NREGA for rights-based development programmes.

- i) Development programmes aiming at basic entitlements like livelihood acquire force if grounded in the framework of a rights-based law. A law belongs to the people and not to the government. The government is itself subordinate to law. The normal hierarchical relationship between the government as provider and public as recipient begins to get displaced with the public acquiring legally guaranteed rights and so expecting a certain behaviour and demanding a certain action from the government that cannot be easily ignored by the government. Space for open engagement and critique and active intervention by civil society organisations, media, citizens is created by the very fact of there being a law. Moving from a programme approach to a Rights-based law helps in creating a more democratic base necessary for inclusive growth and equitable development processes. The government – the custodian of resources and their delivery – by enacting a law of this kind makes itself accountable for its action to the public. It is this self-subordination to public scrutiny, implied by the promulgation of this law that propels the delivery system, despite the many procedural lapses. A rights-based law, like Mahatma Gandhi NREGA, then pushes for a change in the way the government systems work by reducing dichotomies between demand and supply, signifying the maturing of democracy in which the term ‘state’ does not just mean government but people and government. A legal framework is necessary to create an implementation design that is influenced by citizen entitlements. Even while the actual instruments used for asserting rights require constant review and refinement to be sensitive to the context of use and user capability, as in Mahatma Gandhi NREGA’s case, conferring the status of legal rights on basic human needs is the essential condition for development.



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The acknowledgement of citizens' rights in the form of the right to demand, has the effect of dissolving a 'delivery centre' managed by a bureaucracy which provides facilities according to predetermined norms and so ends up excluding a fair measure of needs that do not fall within those norms, to a 'service' approach where the services are flexibly structured to meet the rights demanded. This is why Mahatma Gandhi NREGA stipulates that work be given when workers demand it, rather than be allotted when work is available. A similar approach is necessary for programmes aiming at basic education, health and food security. In fact, had a rights-based law for basic education, health and food security preceded that on livelihood security, the latter would have worked more effectively. The absence of a rights-based approach in these programmes is reflected in the fact that while there is a suggestion that Mahatma Gandhi NREGA labourers work for constructing anganwadi centres, there is little concern about extending the anganwadi services to the worksites. Such ironic discrepancy between 'need' and 'service' could be dissolved if the anganwadi could get away from a brick and mortar centre fixation to providing child care services where there is a demand, as in the case of Mahatma Gandhi NREGA worksites. Why should the anganwadi centre be governed by its location and time exclude the poorest infants on Mahatma Gandhi NREGA worksites. This is because the parents' right to work is accepted by Mahatma Gandhi NREGA but not the child's right to nutrition and care by ICDS. This is also because a supply side grammar creates a centre where people have to go; a rights-based approach demands a service where people's needs are most intensely expressed. A similar discrepancy exists between centre-based adult education programmes and the needs of the non-literates. The adult education programme expects non-literates to come to their centres to get literate through their primers. The majority of non-literates are the poor unorganised labour that comes to work under Mahatma Gandhi NREGA. Their persistent non-literacy suggests that the centre excludes them. If the centre approach could be dissolved and the workers' work and worksite become the pedagogic tools, functional literacy would be the consequence of workers work engagements; not an extraneous 'extra-curricular' choice.

- ii) Citizens may have the right to demand but generally conditions for the fulfilment of rights must be obligatory on the state without the demand for them. For example, security of life does not depend upon a demand for it. Health, education and livelihood are basic entitlements, not optional capabilities. Therefore, conditions for their realisation must be created by the state without demands by the citizens for them. Demanding a right is really an indication of a gap in the system, the failure to provide a service.
- iii) Rights-based framework gains through institutional mechanisms for decentralisation, because decentralisation facilitates direct accountability for outcomes of decisions taken. This is also because decentralisation widens stakeholder participation. Local conflicts and contestations are an index of this growing space for asserting rights. But there is an equal necessity to clearly delineate structural integration of different institutions, with a unitary point of overall power and accountability to take over-riding decisions to enforce the law. Structural imagination is needed for legal reform. This is a major challenge.
- iv) Assured budget commitments are important for implementing schemes to ensure rights. However, just a large budget commitment is not enough. There are several issues, here. One, the design and procedure of fund transfer is critical and how this seeks to manage a balance between efficiency with accountability, financial support with discipline, local freedom with central regulation.
- v) Legal frameworks should permit operational flexibility. Procedural matters should not be confused with rights or with the substantive content of law. Procedures should be flexible; end-goals non-negotiable. Objectives and norms should be broadly stated but the processes should be allowed to evolve through local contexts. Effective practices should be studied and woven back into law, as far as possible. Solutions emerging in the contested spaces of local action under Mahatma Gandhi NREGA are analysed and included in the state and often in the national policy. Emerging innovative practices should be shared among states and analysed to yield core principles that can work best across states. The osmotic process of local innovation and policy and law is a unique feature of Mahatma Gandhi NREGA. It enables the normative framework to be both regulatory and responsive to the dynamic changing situation on the ground, unlike many laws that tend to become rigid and so exclude the possibility of dealing with the new or differential or unforeseen situations on the ground.
- vi) Development laws create dilemmas of rights and responsibilities. Rights are availed of only if the supply system is strong and responsive and creates conditions for their fulfilment. Rights that are guaranteed through a law should be independent of factors that cannot be controlled by the law. In other words, the conditions for the fulfilment of rights should be included in the guarantee.
- vii) Recognition of development as a right implies both the fulfilment of necessary conditions for a right to be realised, in a normal way as well as the right to demand consciously, in case such conditions fail to get created or access to them is constrained. Laws should be seen as opportunities for making administrative systems strong and accountable. The Act is embedded in the system that exists. The implementation process of the Act is a sub-set of that system. The issue is can a sub-set of a system compel the entire system to change? That is exactly what we are asking the Act to do. And in asking that we are not asking Mahatma Gandhi NREGA to conform to its own design, we are asking the entire system to function as a mature, capable, enlightened, and empowered democracy. This is not a small ambition.



Mahatma Gandhi NREGA then becomes an intervention that seeks to re -create a given system by challenging it. Mahatma Gandhi NREGA is to be seen as dialectical process that, despite the assumptions of its design, does not just rest on prior platforms, but also exposes a number of serious gaps in precedent development processes. The programme on the ground cannot be a simple direct outcome of its legal premises, but is instead the occasion and the instrument of making those premises strong and real. This is its historical significance, its radical edge. Therefore those who look for a neatly linear diagram of execution to mirror image a legal script are dismayed. They need to see the opportunities that are opening because of the way in which its design is perceived, interpreted and used in different ways across the country, blending local creativity with a national legal framework. Development laws should allow a collaborative policy making through space to multiple stakeholders and corresponding procedural flexibility. This is fraught with conflict. But this conflict becomes the means of forcing issues and co-creating change. This can hold the potential of transforming governance.

- viii)** Strong and independent grievance redressal mechanisms should to be integral to the design. The issue is what ought to be their nature? Administrative bodies with powers to decide and direct but not really to coerce, and so really exercising a moral force? Or should they be judicial with powers of a court to summon, award judgments and punish?
- ix)** There appears a need to distinguish between basic rights and rights that evolve from those basic rights. Basic rights should be entirely the State's obligation to ensure and safeguard and should not depend on any formal demand by citizens. These would include, inter alia, the right to life, food, basic health and education and livelihood.
- xii)** A law guaranteeing rights should be grounded firmly on the basis of the concept of equality. This makes the quality of opportunity offered a significant issue. Laws promoting development cannot be static but must be constantly reviewed so that they move towards greater equitable opportunities. The problematic issues are: what decides 'basic' and above basic. The way these issues are decided determines the way equity is determined. They also decide issues of quality. Largely, the debate is around where the bar should be dividing the basic from the additional. This raises questions like right to what? Can a right be a right if it is unequally enjoyed because the conditions and capabilities for its realisation are unequal? Rights make sense because they are based on the concept of equality of entitlements. But the conditions and capabilities for exercising rights are unequal. So the question is how can laws create equitable and qualitative conditions for ensuring basic entitlements? There is also the need to think of a kind of 'mother right' - rights (fundamental rights, perhaps) that need to be universally guaranteed in the same measure and quality. Education, and health (inclusive of food, water and basic health care) would be the most basic, as a number of other entitlements and capability functions would follow from these endowments, such as the ability to work and earn, to incrementally improve one's skills and quality of life. These should be guaranteed by laws for giving everyone an equal opportunity and equal capability set. Special laws could then be framed for residual sections of population, unable to use equal opportunities of education and health for securing certain other needs- such as basic income. These should aim at providing assistance in a way that is not just protectionist but promotional that brings disadvantaged people upto acceptable standards of living. The idea should be universal equality and not subsets of equality because these perpetuate and increase inequality.

The other problem is the tendency, for historical and pragmatic reasons, to make a law to fix a sub-system that depends on a larger system that, however, remains precluded from the legal frame. The failure or dysfunctionality of certain policies or laws or institutions has sometimes led to trying to fix a part of the system. This may provide temporary relief and improvement but in the long run creates greater problems. Policies devoid of a longer-term perspective or de-linked from their necessary environment lead to wastage of resources both human and financial. Examples are aplenty: literacy campaigns without universal school education, wage employment without sustainable work, expansion of medical facilities without food nutrition, safe water and education. Rights-based frameworks are radical because rights are not conferred incrementally. Rights cannot be fractured into sequential bits, because that is financially and humanly management convenient. This violates the ideals of equity and equality. There is a case for fewer programmes, fewer laws but comprehensive in scope to cover a sufficient range of necessarily related inputs that create conditions that guarantee basic rights. It would be more pragmatic to proceed towards a rights-based law through programmes focusing on improving governance policies and implementation systems and move to law so that the system is prepared for it.



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## 14. Legal Instruments for Human Development Goals

The MDGs clock time to 2015. For the next phase of self-assessment and stock-taking and future policy deliberation, it would be extremely useful to make comparative assessments of the difference in the achievements of related human development goals because of a shift to rights-based laws as development policy instruments. Basic literacy, food security, (in process) and livelihoods have come under legal guarantees. Their targeted population is more or less the same – the rural poor, specially disadvantaged groups such as women, SCs and STs, unorganised labour, marginal farmers, pastoral communities, socially disadvantaged, and/or those who are economically vulnerable. They would now have a concerted guarantee of basic rights, taking care of their immediate and medium term needs. These basic guarantees create positive synergies in multiplying mutual benefits and sustaining these vulnerable groups within the fold of a basic social security cover that should then enable and accelerate their development process. There is now a situation where Mahatma Gandhi NREGA has been in operation for four years as a wage-security guarantee without these other correlated rights, but now there is a situation where livelihood-security can form a league with other basic human rights recently legislated or under consideration for legislation. What is the impact on basic human development goals of transiting from a regime of development programmes to a regime of legally guaranteeing an enlarged scope of basic rights? What are the implications in this transition on larger surrounding policy instruments? There is a major opportunity to study this through a professional inter-disciplinary, global knowledge network. International Organisations like the UNDP, ILO can facilitate knowledge sharing, globally.



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## 15. A Rights discourse on livelihoods as over-arching framework for synthesis of development concerns

While initiatives and strategies for achieving development goals need to be diverse, it would be worth-while to synthesise different development discourses on livelihood. This will yield a rounded view of development issues and integrate diverse concerns in shared strategic frameworks, which in turn will lead to resource sharing, rationalising costs and so creating fiscal space while doing more things. If the design for livelihood programmes is rights –based, it is likely to include issues of human development, natural resource management, skill development, and employment generation and engage with cross cutting concerns of equity and empowerment. This is because rights are interconnected, and interdependent, and are realised in a ecosystem of a set of interrelationships. As such, a rights -based design operates as a platform for convergence of issues, generative of synergies and positive multiplier effects, in contrast to a scheme or project that gets enclosed by the way its terms of discourse define its specific goals. Mahatma Gandhi NREGA demonstrates the way in which issues and concerns of human development and MDG, climate change, and decent work, coalesce in a design grounded in rights and entitlements, so that its processes have the potential to demonstrate the cohesiveness and intertextuality of different development discourses.



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## Studies by the Professional Institution Network

S. No.	Year	Institution	Subject/Study/Research	District	State
1	2006-07	Centre for Development Alternatives, Ahmedabad	Concurrent monitoring of national Rural Employment Guarantee Act	Dangs and Sabarkantha	Gujarat
2	2006-07	Centre for Budget and Governance Accountability, New Delhi	Report on implementation of Mahatma Gandhi NREGA	Medak & Rangareddy, Surnaju & Jashpur, Dhar & Barwani, Palamu & Latehar	Andhra Pradesh, Chhattisgarh, Jharkhand and Madhya Pradesh
3	2006-07	Institute of Human Development, New Delhi	Evaluation and Impact Assessment of National Rural Employment Guarantee Scheme	Gaya, Kisanganj, Nalanda, Rohtas, Samastipur, Sapaal, Jehanabad	Bihar
4	2006-07	Indian School of Women's Studies and Development, New Delhi	Monitoring and Evaluation of National Rural Employment Guarantee Scheme with Special Focus on Gender Issues	Sundergarh and Mayurbhanj, Bankura and Medinipur, Villupuram and Nagipattinam, Nanded and Nandurbar	Maharashtra, Orissa, Tamil Nadu, West Bengal
5	2006-07	Indian Institute of Management, Bangalore	Mahatma Gandhi NREGA surveys in Anantapur, Raichur and Gulbarga	Gulbarga & Raichur in Karnataka, Anantpur in Andhra Pradesh	Andhra Pradesh, Karnataka
6	2007-08	Indian Institute of Management, Bangalore	Implementation Issues and Labour Market Relations	Anantapur and Adilabad, Raichur and Gulbarga	Andhra Pradesh, Karnataka
7	2007-08	Indian School of Women's Studies and Development, New Delhi	Living and Working Conditions of Women in Rural India	Bidar, Davangere, Wayanad, Pallakad, Mirzapur, Gorakhpur, Jamtara, Saraikela Kharsawa	Jharkhand, Karnataka, Kerala, Uttar Pradesh
8	2007-08	National Federation of Women, New Delhi	Women Empowerment and Detailed Profiling of Women Beneficiaries	Jhabua, Rajnandgaon, Mayurbhanj, Cuddalore	Chhattisgarh, Madhya Pradesh, Orissa, Tamil Nadu
9	2007-08	Institute of Human Development, New Delhi	Institutions, Process and Mechanisms of Implementation; Impact of Scheme on Labour Market; Developing Indicators and Protocol for Long Term Impact Assessment.	Rohtas, Gaya, Nalanda, Araria, Supaul, Samastipur, Purbj, Singhbhum, Pakur and Palamu	Bihar, Jharkhand

### Studies by the Professional Institution Network (Continued..)

S. No.	Year	Institution	Subject/Study/Research	District	State
10	2007-08	Centre for Science and Environment, New Delhi	Creation and Quality Assessment of Assets, Process of Work Selection and Conformity with Local Needs, Environment Regeneration, Development Potential of Assets	Nua Para, Sidhi	Madhya Pradesh, Orissa
11	2007-08	Institute of Development Studies, Jaipur	Evaluation of the Scheme in Rajasthan	Karoli, Jalore, Banskara, Durgapur, Jhalawar	Rajasthan
12	2008-09	IIM Calcutta	Mahatma Gandhi NREGA Impact Assessment	Burwan, Birbhum, Malda, Purulia	West Bengal
13	2008-09	IIM Ahmedabad	A Quick Appraisal of NREGS and Strategies for Next Level	Dangs and Jalpaiguri	Gujarat, West Bengal
14	2008-09	ND University of Agriculture Technology & Extension, Faizabad	Mahatma Gandhi NREGA: Monitoring & Appraisal	Azamgarh, Barabanki, Faizabad, Sultanpur and Aligarh	Uttar Pradesh
15	2008-09	IIT Kharagpur	Impact Assessment of Mahatma Gandhi NREGA	Bankura, Purb Medinapur	West Bengal
16	2008-10	IIT Kharagpur	Appraisal of Processes & Procedures of NREGS	Mayurbhanj, Balasore	Orissa
17	2008-09	University of Agricultural Sciences, Bangalore	Mahatma Gandhi NREGA Impact Assessment	Hassan, Shimoga, Chitradurga, Devangere	Karnataka
18	2008-09	IIT Roorkee	System & Process: Review and Impact Assessment of NREGS	Teri, Champawat, Haridwar	Uttarakhand
19	2008-09	IIM Shillong	Appraisal of Mahatma Gandhi NREGA	North Sikkim, East Sikkim, South Sikkim, East Khasi Hills, Ri Bhoi, East Garo Hills South Garo Hills and West Garo Hills	Meghalaya, Sikkim
20	2008-09	ASCI	Quick Appraisal of NREGS	Adilabad, Guntur & Anantapur	Andhra Pradesh
21	2008-09	IIM Lucknow	Quick Appraisal of 5 Districts under NREGS	Gorakhpur, Jalaun, Jhansi, Khushinagar, Bareilly	Uttar Pradesh



22	2009-10	Gandhi Gram University, Gandhigram	Performance of NREGS in Kerala	Palakkad, Wayanad	Kerala
23	2008-09	Central Institute of Fisheries Education, Mumbai	A Study Report on Appraisal of Mahatma Gandhi NREGA Programme	Thane, Akola	Maharashtra
24	2008-09	IIT Chennai	Evaluation of Mahatma Gandhi NREGA	Cuddalore, Dindigul, Kanchipuram, Nagai, Thiruvallur	Tamil Nadu
25	2008-09	Nagaland University	Mahatma Gandhi NREGA Impact Assessment	Report Awaited	Nagaland
26	2009-10	Centre for Rural Research and Industrial Development, Chandigarh	Mahatma Gandhi NREGA Impact Assessment	Hoshiarpur, Sirmaur, Sirsa	Haryana, Himachal Pradesh, Punjab
27	2009-10	Action for Food Production	Infrastructure Development & Beyond: Exploring the Scope for Sustainable Livelihood Support under Mahatma Gandhi NREGA	Gumla	Jharkhand
28	2009-10	Indian Institute of Science, Bangalore	Environmental Services, Vulnerability Reduction and Natural Resource Conservation from Mahatma Gandhi NREGA Activities	Chitradurga	Karnataka
29	2009-10	Indian Institute of Public Administration	Impact Assessment	Report Awaited	Rajasthan
30	2009-10	Indian Institute of Forest Management	Impact Assessment	Report Awaited	Madhya Pradesh
31	2009-10	Centre for Development Alternatives, Ahmedabad	Study of successful Pockets of Mahatma Gandhi NREGA in India	Report Awaited	Gujarat, Andhra Pradesh, Chhattisgarh
32	2009-10	National Institute of Rural Development, Hyderabad	Financial Inclusion	Report Awaited	Orissa, Tripura, Kerala, Andhra Pradesh, Rajasthan and Gujarat
33	2009-10	National Institute of Rural Development, Hyderabad	Changing gender relations through Mahatma Gandhi NREGA	Report Awaited	All the 28 major states
34	2009-10	National Institute of Rural Development, Hyderabad	Impact of NREGS on Schedule Castes and Scheduled Tribes	Report Awaited	Rajasthan, Maharashtra, Uttar Pradesh, Tamil Nadu, Orissa and Jharkhand

### Studies by the Professional Institution Network (Continued..)

S. No.	Year	Institution	Subject/Study/Research	District	State
35	2009-10	National Institute of Rural Development, Hyderabad	Census of works under Mahatma Gandhi NREGA	Report Awaited	Selected districts from the 27 major states
36	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur Shastri National Academy of Administration (LBSNAA)	Convergence: Creation of Durables and Productive Assets & Effective Convergence Practices in NREGS	Report Awaited	Himachal Pradesh
37	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur National Academy of Administration (LBSNAA)	Social Capital Formation and Maintenance	Report Awaited	Jharkhand
38	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur Shastri National Academy of Administration (LBSNAA)	Economic and Social Empowerment of Women	Report Awaited	Jharkhand
39	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur Shastri National Academy of Administration (LBSNAA)	Inclusive Growth Participatory	Report Awaited	Uttarakhand
40	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur Shastri National Academy of Administration (LBSNAA)	Stemming Migration	Report Awaited	Uttar Pradesh
41	2009-10	National Institute of Administrative Research (NIAR) Lal Bahadur Shastri National Academy of Administration (LBSNAA)	Social Capital Formation and Maintenance practices	Report Awaited	Uttarakhand

# ANNEXURES





## ANNEXURE I: Salient Features of Mahatma Gandhi NREGA and EAS

Provision	Provision under MGNREGA	Process under Scheme	Process under MGNREGA	Institution(s) under Scheme	Institutions under MGNREGA	Document(s) under Scheme	Document under MGNREGA
<b>Employment</b> <ul style="list-style-type: none"> <li>100 days of unskilled manual work, stress on employment during agriculture lean season.</li> </ul> Assurance extends to men and women over 18 years and below 60 years. <ul style="list-style-type: none"> <li>Two adults per family.</li> </ul> <ul style="list-style-type: none"> <li>While providing employment, preference is given to Scheduled Castes/Scheduled Tribes and parents of child labour withdrawn from hazardous occupations who are BPL.</li> </ul> Employment should be provided within 15 days of seeking work.	(i) 100 days of guaranteed employment per household. (ii) 1/3rd reservation for women	(i) Registration and issue of family card (ii) Work will be provided within the area of the block where the persons resides, if employment is not available in the panchayat (iii) For seeking employment, needy persons will have to apply in writing to the local panchayat in the prescribed format (iv) Employment should be provided within 15 days else unemployment allowance to be given by state	(i) Registration and issue of Job card (ii) Work will be provided within a 5 km radius of the panchayat or 10% extra allowance for conveyance (iii) For seeking employment registered persons will have to apply in writing to the local panchayat in the prescribed format	Zila Parishads	Gram Panchayat (Programme Officer may receive demand for work)	GP to maintain employment register	GP to maintain job card register, employment register, application register

## ANNEXURE I: Salient Features of Mahatma Gandhi NREGA and EAS (Continued..)

Provision	Provision under MGNREGA	Process under Scheme	Process under MGNREGA	Institution(s) under Scheme	Institutions under MGNREGA	Document(s) under Scheme	Document under MGNREGA
<b>Planning &amp; Works</b>	<p>(i) List of works finalised and prioritised by GPs. Additional works may be suggested by Intermediate Panchayats (IPs).</p> <p>(ii) Wage material ratio will be 60:40</p> <p>(iii) New works may be opened if there are atleast 5 persons demanding employment</p>	<p>Works finalised by ZPs and MPs.</p>	<p>Shelf of projects prepared by GS, forwarded to GP for approval. Forwarded to programme, intermediate panchayat and district panchayat for approval</p>	<p>ZPs</p>	<p>GPs, GS, IPs, district panchayats</p>	<p>Annual action plan</p>	<p>Annual action plan, labour budget, shelf of works</p>
<p>The District Collector will obtain from implementing agencies by October every year their Blockwise plans.</p>							
<ul style="list-style-type: none"> <li>List of works finalised by ZPs in consultation with MPs.</li> </ul>							
<ul style="list-style-type: none"> <li>In the absence of elected bodies, a committee comprising of local MPs/ MLAs and other elected representatives would be constituted.</li> </ul>							
<ul style="list-style-type: none"> <li>ZPs may spend upto 15% on maintenance of assets.</li> </ul>							
<ul style="list-style-type: none"> <li>Wage material ratio will be 60:40.</li> </ul>							
<p>New works will not be opened, if employment potential is available through plan and non-plan works already in progress and assurance can be fulfilled through these works.</p>							

<p>The BDO may however open new works under the scheme even if only 10 persons demand employment, ensuring work taken up is completed in 30 days.</p>	<p>Works under the Scheme should be taken up during the agricultural lean season. States will specify the lean season in the concerned districts.</p>	<p>Priority should be given to watershed development works (40%), minor irrigation tanks etc (20%), link roads (20%), primary school buildings, buildings for <i>anganwadi</i> (20%)</p>			<p>(i) Permissible works include water conservation, land development, rural connectivity, do not include primary school buildings and <i>anganwadi</i> centres (ii) Works prioritised, however, no specification of percentage of work to be taken up under each category</p>																					<p>GPs, ZPs, IPs, PSU's, Cooperatives, NGOs, SHGs, line departments</p>	<p>ZP, line departments</p>			<p>Atleast 50% of the works to be implemented by GPs</p>	<p><b>Implementing Agencies</b></p>
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## ANNEXURE I: Salient Features of Mahatma Gandhi NREGA and EAS (Continued..)

Provision	Provision under MGNREGA	Process under Scheme	Process under MGNREGA	Institution(s) under Scheme	Institutions under MGNREGA	Document(s) under Scheme	Document under MGNREGA
<b>Record Maintenance</b>				ZP, line departments, executing agency	PRIs, line departments, executing agency	Muster rolls, asset register by implementing agencies, other documents as being maintained by implementing agency, employment register	Muster Rolls by implementing agencies (GPs and agencies other than GPs), remaining records by GPs, asset register, employment register, measurement book
<b>Wages</b>				Implementing agencies	Banks & post offices	Muster rolls and other documents as being maintained by implementing agency	Measurement book, muster rolls
Minimum agricultural wages for unskilled labour.	(i) Minimum MGNREGA wages delinked from agricultural wages	(i) Wages will be paid at worksites	(i) Wages paid directly to bank/post office accounts				
As per prescribed specifications/output in terms of quantity of work to be turned out by an unskilled labour for 8 hrs/day.	(ii) Wages paid based on Schedule of Rates/output	(ii) No specification on measurements of works in guidelines	(ii) Measurement norms specified in guidelines				
A part of the wages may be paid as food grains not exceeding 2kg per manday and not exceeding 50% of wage in cost.	(iii) Wages paid in 100% cash						
Wages paid at worksites in the presence of local persons.	(iv) Wages paid through bank and post office accounts						



<b>Funds</b>	<ul style="list-style-type: none"> <li>• Cost sharing 80:20 basis.</li> </ul> <p>In case of UTs, entire funds will be given by Centre.</p> <ul style="list-style-type: none"> <li>• 70% of the funds to Panchayat Samiti and 30% to district.</li> <li>• Allocation based on index of backwardness.</li> <li>• 80% of the funds will be released as per normal procedure.</li> <li>• 20% will be as incentive.</li> </ul>	<ul style="list-style-type: none"> <li>• List of works will be published and GSs will be informed.</li> </ul> <p>Work output should be displayed on a board on the work site before work is started.</p> <p>No contractors.</p>	<p><b>Monitoring &amp; Evaluation</b></p> <p>Inspections &amp; minimum number of field visits as prescribed by state.</p> <p>Coordination committee at state, district and block level. Members may include prominent elected representatives and NGOs.</p> <p>Vigilance squads constituted by divisional commissioners.</p>	<p>(i) Cost sharing 90:10</p> <p>(ii) Allocation of resource based on labour budget</p>	<p>(i) Proactive disclosure (including availability of records at GP and in public domain)</p> <p>(ii) Social audit</p> <p>(iii) Grievance redressal/penalty</p> <p>(iv) No contractors and machinery</p>	<p>Inspections, reporting, evaluations</p>	<p>Blocks categorised as A,B,C for the release of funds.</p> <p>Flow of funds from districts to blocks in proportion with rural population</p>	<p>(i) Social audits</p> <p>(ii) Redressal mechanisms including helplines and complaints</p>	<p>Inspections, reporting, evaluations</p>	<p>Allocation as per demand projected through labour budgets</p>	<p>Panchayat Samiti and district</p>	<p>Coordination committee at state, district and block level, Planning Commission</p>	<p>State, district, blocks, GP</p>	<p>GSs for social audit, states, districts and blocks for proactive disclosure and grievance redressal</p>	<p>Independent agencies, districts, states, blocks, CEGC, SEGC</p>	<p>Atleast 50% utilisation for demand of second installment</p>	<p>Findings of social audits, complaints</p>	<p>Progress reports based on proformas</p>	<p>Atleast 60% utilisation for demand of second installment</p>	<p>Monthly progress reports, quarterly progress reports, MIS, annual progress reports, reviews</p>
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## ANNEXURE II: Salient Features of National Food for Work Programme

Provision	Process under Scheme	Institution(s) under Scheme	Document(s) under Scheme
<p><b>Employment</b></p> <p>All rural poor who are in need of wage employment and desire to do manual and unskilled work.</p>	Supply-driven		
<p><b>Planning &amp; Works</b></p> <p>Shelf of works to be prepared.</p> <p>Focus on works relating to water conservation, drought proofing (including afforestation/tree plantation), land development. Flood control/protection (including drainage in waterlogged areas), rural connectivity similar activity may be included provided the basic parameters of the Scheme are maintained.</p>	<p>A five-year "Perspective Plan" is to be prepared for each district, with block- and panchayat-wise details of works to be undertaken. The Ministry will approve the perspective plan which has to be prepared in consultation with the PRIs, local MPs and MLAs.</p>	PRIs, MPs, MLAs	Five-year perspective plan for the district and shelf of works, block-wise and GP-wise
<p><b>Wages</b></p> <p>Wages paid shall not be less than minimum wage.</p> <p>Foodgrains are provided free of cost to the states @ 5 kg per person/day. States are supposed to cover transportation costs, handling charges and taxes. Atleast 25% in cash.</p> <p>Higher wages by 10% to skilled labour.</p> <p>Wages shall not be less than minimum wages (Rural Standard Rate of Schedules) to be published.</p> <p>Wages paid on a fixed day every week.</p>	Executing agency to pay the wage (including foodgrains)	Village panchayat, implementing agency, any agency appointed by the state government.	Muster rolls and other documents as being maintained by implementing agency
<p><b>Funds</b></p> <p>Allocation of resources among the districts will be on the basis of % of each district in the total allocation of these districts under SGRY</p>		DRDAs/district panchayats/implementing agencies	

<b>Implementing Agencies</b>		PRIs, reputed NGOs, other state and central Government agencies	
<b>Record Maintenance</b>	Each district shall maintain complete inventory of the assets created under the programme giving details of the date of start and the date of completion of the project, cost involved, benefits obtained, employment generated and other relevant particulars	Executing agency	Asset register, muster rolls shall be maintained for every work separately, showing the details of wages paid to workers and foodgrains distributed. The muster roll is also supposed to record the number of SC/ST workers, female workers and others, employee.
<b>Transparency &amp; Accountability</b> In case the executing agency does not pay minimum wages, the District Panchayat/ Intermediate Panchayat Shall withhold further release of funds Ban on contractors and labour displacing machinery Proactive disclosure Social audit	(i) Muster rolls shall be made available to public for scrutiny and a copy of the same be made available on demand on nominal price. (ii) For works taken up by the village panchayats, copies of muster rolls duly certified by the panchayat sarpanch shall be available at the GP		Report of the committee
<b>Monitoring</b> Inspections	(i) The work cannot be started unless the monitoring committee has been formed. The committee would be appraised by the implementing agency about the estimate of the work, time-frame and quality (ii) Inspections of works 10% (district level), 2% (state level)	Districts, states, panchayats	Monthly progress reports, quarterly progress reports, annual progress reports

### ANNEXURE III : Salient Features of the Sampoorna Grameen Rozgar Yojana

Provision	Process under Scheme	Institution(s) under Scheme	Document(s) under Scheme
<p><b>Employment</b></p> <p>The primary objective of the Scheme is to provide additional wage employment in all rural areas and thereby provide food security and improve nutritional levels.</p> <p>Rural poor who are in need of wage employment and desire to do manual and unskilled work in and around their village/habitat.</p> <p>Preference shall be given to agricultural wage earners, non-agricultural unskilled wage earners, marginal farmers, women, members of SC/ST and parents of child labour withdrawn from hazardous occupations, parents of handicapped children or adult children of handicapped parents.</p> <p>30% reservation for women.</p>	Supply-driven	PRIs	
<p><b>Planning &amp; Works</b></p> <p>Shelf of works to be prepared.</p> <p>Labour intensive works.</p> <p>Works of soil and moisture conservation, minor irrigation, rejuvenation of drinking water sources and augmentation of ground water, traditional water harvesting structures, desiltation of village tanks/ponds etc. and schemes on watershed development, rural link roads, farm roads linking agricultural fields, drainage works and afforestation. As well as assets such as schools, kitchen sheds for schools, dispensaries, community centers, panchayat ghars, development of <i>haats</i> (markets) etc.</p> <p>Works that may be taken up for the benefit of identified individuals belonging to SCs/STs were: development of allotted land in the case of allottees of ceiling surplus land, <i>bhoodan</i> land, government land include development of allotted land in the case of allottees of ceiling surplus land, social forestry works, such as fuelwood and fodder plantations on the private lands belonging to SCs/STs, agri-horticulture, floriculture, horticulture plantation on the private lands belonging to SCs/STs below poverty line, work sheds or infrastructure for any self-employment programme, open irrigation wells/bore-wells for irrigation, pond excavation/re-excitation with primary support for pisciculture and other sustainable income generating assets.</p>	<p>(i) Each ZP/DRDA, intermediate level and village panchayat shall independently prepare and approve, before the beginning of each financial year, an annual action plan equivalent in value of about 125% of its share of funds allocated in the preceding year</p> <p>(ii) Plan should be discussed by GS and approved.</p>	ZPs/DRDAs/IPs	Annual action plan



<b>Wages</b>	Executing agency to pay the wage	Executing agency	Muster rolls and other documents as being maintained by implementing agency
Wages are paid in foodgrains and cash.			
Foodgrains are provided @ 5 kg per person/day.			
Wages shall not be less than minimum wages.			
Wages paid on a fixed day every week.			
<b>Funds</b>	Foodgrains provided by Centre	ZPs, IPs	
Funds & foodgrains allocated on the basis of proportion of rural poor in state or other criteria as decided by central government.			
District level, the allocation of funds and foodgrains will be made on the index of backwardness.			
Cost sharing Centre: State-75:25 basis. In the case of UTs the Centre to provide entire (100%) funds and foodgrains under the Scheme.			
State government will bear the cost of transportation.			
5% of the funds and foodgrains will be retained in the Ministry for utilisation in the areas of acute distress arising out of natural calamities or for taking up preventive measures in the chronically drought or flood affected rural areas.			
50 (GP): 30 (ZP): 20(District) proportion of funds and foodgrains.			
22.5% of the annual allocation (inclusive of foodgrains) under the First Stream of the SGRY both at the district and the block levels shall be earmarked for individual beneficiary schemes of SC/ST families living Below the Poverty Line (BPL).			
Minimum 50% of the allocation to the village panchayat (inclusive of foodgrains) shall be earmarked for the creation of need-based village infrastructure in SC/ST habitations/wards under the second stream of the SGRY.			

### ANNEXURE III : Salient Features of the Sampoorna Grameen Rozgar Yojana (Continued..)

Provision	Process under Scheme	Institution(s) under Scheme	Document(s) under Scheme
<b>Implementing Agencies</b>	50% allocation to village panchayats	Department, corporation of the state government, PRIs at all three levels or well reputed NGOs as approved by the ZP/DRDA, SHGs	
<b>Record Maintenance</b>	Each district shall maintain complete inventory of the assets created under the programme giving details of the date of the start and the date of completion of the project, cost involved, benefits obtained, employment generated and other relevant particulars	Executing agency including Panchayat Samiti, ZP, DRDA	Asset register, muster rolls shall be maintained for every work separately, showing the details of wages paid to workers and foodgrains distributed. The muster roll is also supposed to record the number of SC/ST workers, female workers and others, employment register

<p><b>Transparency &amp; Accountability</b></p> <p>In case the executing agency does not pay minimum wages, the ZP/ panchayat shall withhold further release of funds.</p> <p>Ban on contractors.</p> <p>Social audit.</p>	<p>(i) ZP/DRDAs shall publicise and inform GP details of works to ensure transparency, accountability and social control</p> <p>(ii) GP should place these details before the respective GSS</p>		
<p><b>Monitoring</b></p> <p>Inspections.</p> <p>Vigilance &amp; Monitoring Committees at the state, district &amp; panchayat samiti levels.</p> <p>Evaluation studies.</p>	<p>The executing agencies may utilise one person from among the beneficiaries group as animator/ leader/facilitator in maintenance of muster rolls, payment of wages, monitoring of quality of works</p>	<p>ZP/DRDA, Panchayat Samities, other executing agencies</p>	<p>Monthly and annual progress reports</p>

## ANNEXURE IV: Participation of Marginalised Groups (FY 2009-10)

S. No.	States	% of SC participation	% of ST participation	% of women participation
1	Andaman & Nicobar	0.00	6.86	44.94
2	Andhra Pradesh	24.68	14.71	58.10
3	Arunachal Pradesh	0.00	97.76	17.20
4	Assam	12.15	31.02	27.70
5	Bihar	45.30	2.16	30.04
6	Chandigarh	NR	NR	NR
7	Chhattisgarh	15.32	38.20	49.21
8	Dadar & Nagar Haveli	0.00	100.00	87.14
9	Daman & Diu	NR	NR	NR
10	Goa	5.41	27.03	62.70
11	Gujarat	14.87	39.46	47.55
12	Haryana	53.61	0.00	34.81
13	Himachal Pradesh	33.35	8.70	46.09
14	Jammu & Kashmir	8.38	26.14	6.67
15	Jharkhand	16.04	42.98	34.25
16	Karnataka	16.70	8.57	36.79
17	Kerala	16.77	5.33	88.20
18	Lakshadweep	0.00	100.00	37.59
19	Madhya Pradesh	18.48	45.34	44.23
20	Maharashtra	25.61	33.16	39.66
21	Manipur	27.53	42.85	47.98
22	Meghalaya	0.52	94.09	47.20
23	Mizoram	0.01	99.86	34.99
24	Nagaland	0.00	100.00	43.53
25	Orissa	19.16	36.26	36.25
26	Puducherry	46.20	0.00	63.51
27	Punjab	78.92	0.00	26.25
28	Rajasthan	26.53	22.50	66.89
29	Sikkim	9.66	42.55	51.24
30	Tamil Nadu	59.07	2.50	82.91
31	Tripura	18.03	40.98	41.09
32	Uttar Pradesh	56.41	1.48	21.67
33	Uttaranchal	26.03	4.04	40.27
34	West Bengal	36.86	14.38	33.42
<b>TOTAL</b>		<b>30.48</b>	<b>20.71</b>	<b>48.10</b>



## ANNEXURE V: Female Literacy and Participation Rates in Mahatma Gandhi NREGA

S. No.	States	Female Sex Ratio	Female Literacy Ratio	Women participation rate 2008-09 under MGNREGA	Women participation rate 2009-10 under MGNREGA
1	Andhra Pradesh	98	51	58	58
2	Arunachal Pradesh	91	44	26	17
3	Assam	94	56	27	28
4	Bihar	93	34	30	30
5	Chhattisgarh	100	52	47	49
6	Gujarat	95	59	43	48
7	Haryana	87	56	31	35
8	Himachal Pradesh	99	68	39	46
9	Jharkhand	96	39	29	34
10	Karnataka	98	57	50	37
11	Kerala	106	88	85	88
12	Madhya Pradesh	93	50	43	44
13	Maharashtra	96	68	46	40
14	Manipur	97	60	46	48
15	Meghalaya	97	60	41	47
16	Mizoram	92	86	37	35
17	Nagaland	92	62	37	44
18	Orissa	99	51	38	36
19	Punjab	89	64	25	26
20	Rajasthan	93	44	67	67
21	Sikkim	88	61	38	51
22	Tamil Nadu	99	65	80	83
23	Tripura	95	65	51	41
24	Uttar Pradesh	90	43	18	22
25	Uttaranchal	101	60	37	40
26	West Bengal	95	60	27	33

## ANNEXURE VI: Wage Rate (from pre-MGNREGA to post-MGNREGA)

S. No.	States	Minimum wages for agricultural labourers (2005-06) Pre-MGNREGA	Minimum wages for agricultural labourers as on 1st Dec, 2008	Current notified wages under Section 6.1 for MGNREGA
1	Andaman & Nicobar		130-139	170-1819
2	Andhra Pradesh	80	80	121
3	Arunachal Pradesh	55-57	65-67	118
4	Assam	62	79.6	130
5	Bihar	68	81	120
6	Chandigarh		140	174
7	Chhattisgarh	58.73	72.23	122
8	Dadar & Nagar Haveli		108.2	138
9	Daman & Diu		102	126
10	Goa		103	138
11	Gujarat	50	100	124
12	Haryana	95.13	141.02	179
13	Himachal Pradesh	70	100	120-150
14	Jammu & Kashmir	66	70	121
15	Jharkhand	73	86.4	120
16	Karnataka	62.5	82	125
17	Kerala	125	125	150
18	Lakshadweep		115	138
19	Madhya Pradesh	58.83	91	122
20	Maharashtra	47	66-72	127
21	Manipur	66	81.4	126
22	Meghalaya	70	70	117
23	Mizoram	91	91	129
24	Nagaland	66	100	118
25	Orissa	55	70	125
26	Puducherry		80	119
27	Punjab	85-101	93-103	124-130
28	Rajasthan	73	100	190
29	Sikkim	85	100	118
30	Tamil Nadu	80	80	119
31	Tripura	60	85	118
32	Uttar Pradesh	58	100	120
33	Uttaranchal	73	73	120
34	West Bengal	67.42	75	130

## ANNEXURE VII: Performance of The Mahatma Gandhi NREGA (National Overview )

	(FY 2006-07) 200 Districts	(FY 2007-08) 330 Districts	(FY 2008-09) 615 Districts	(FY 2009-10) 619 Districts (Upto March, 2010)
<b>Total Job Card issued</b>	3.78 Crore	6.48 Crore	10.01 Crore	11.25 Crore
<b>Employment provided to households:</b>	2.10 Crore	3.39 Crore	4.51 Crore	5.26 Crore
<b>Persondays [in crore]:</b>				
Total:	90.5	143.59	216.32	283.59
SCs:	22.95 [25%]	39.36 [27%]	63.36 [29%]	86.45 [30%]
STs:	32.98 [36%]	42.07[29%]	55.02 [25%]	58.74 [21%]
Women:	36.40 [40%]	61.15 [43%]	103.57 [48%]	136.40 [48%]
Others:	34.56 [38%]	62.16 [43%]	97.95 [45%]	138.40 [49%]
<b>Persondays per HH</b>	43 days	42 days	48 days	54 days
<b>Budget Outlay</b> (In Rs Crore)	11,300	12,000	30,000	39,100
<b>Central Release</b> (In Rs Crore)	8,640.85	12,610.39	29,939.60*	33,506.61
<b>Total available fund [including OB]</b> (In Rs Crore)	12,073.55	19,305.81	37,397.06	49,579.19
<b>Expenditure</b> (In Rs Crore) [percentage against available funds]	8,823.35 [73%]	15,856.89 [82%]	27,250.10 [73%]	37,905.23 [76%]
<b>Expenditure on Wages</b> (In Rs Crore)	5,842.37 [66%]	10,738.47 [68%]	18,200.03 [67%]	25,579.32 [70%]
<b>Average Wage paid per Persondays</b>	65	75	84	90
<b>Total works taken up</b> (In Lakhs)	8.35	17.88	27.75	46.17
<b>Works completed</b>	3.87	8.22	12.14	22.59
<b>Works break up</b>				
Water conservation	4.51 [54%]	8.73 [49 %]	12.79 [46%]	23.43 [51%]
Provision of Irrigation facility to land owned by SC/ST/ BPL and IAY beneficiaries	0.81 [10%]	2.63 [15 %]	5.67 [20%]	7.73 [17%]
Rural Connectivity	1.80 [21%]	3.08 [17 %]	5.03 [18%]	7.64 [17%]
Land Development	0.89 [11%]	2.88 [16%]	3.98 [ 15%]	6.38 [ 14%]
Any other activity	0.34 [4%]	0.56 [3%]	0.28 [1%]	0.98 [2%]

**ANNEXURE VII (A): The Mahatma Gandhi NREGA Outcomes: FY 2009-10  
upto March, 2010 (Physical: Employment)**

S. No.	States	Employment Generated				
		No. of households who have demanded employment	No. of households provided employment	Total	SCs	SC participation (%)
1	Andaman & Nicobar	20,634	20,337	5.83	0.00	0.00
2	Andhra Pradesh	61,58,493	61,58,493	4,044.30	998.00	24.68
3	Arunachal Pradesh	72,606	68,157	16.98	0.00	0.00
4	Assam	21,39,111	21,37,270	732.95	89.03	12.15
5	Bihar	41,27,330	41,27,330	1,136.88	515.05	45.30
6	Chandigarh	NR	NR	NR	NR	NR
7	Chhattisgarh	20,25,845	20,25,845	1,041.57	159.59	15.32
8	Dadar & Nagar Haveli	3,741	3,741	0.70	0.00	0.00
9	Daman & Diu	NR	NR	NR	NR	NR
10	Goa	6,613	6,604	1.85	0.10	5.41
11	Gujarat	15,96,402	15,96,402	585.09	87.00	14.87
12	Haryana	1,56,410	1,56,406	59.04	31.65	53.61
13	Himachal Pradesh	4,99,174	4,97,336	284.94	95.04	33.35
14	Jammu & Kashmir	3,52,287	3,36,036	128.71	10.79	8.38
15	Jharkhand	17,03,243	17,02,599	842.47	135.15	16.04
16	Karnataka	36,26,437	35,35,281	2,003.43	334.64	16.70
17	Kerala	9,57,477	9,55,976	339.71	56.97	16.77
18	Lakshadweep	5,192	5,192	1.41	0.00	0.00
19	Madhya Pradesh	47,14,916	47,14,591	2,624.00	485.03	18.48
20	Maharashtra	5,91,611	5,91,547	274.35	70.27	25.61
21	Manipur	4,18,564	4,18,564	306.18	84.29	27.53
22	Meghalaya	3,02,537	3,00,482	148.48	0.77	0.52
23	Mizoram	1,80,140	1,80,140	170.33	0.01	0.01
24	Nagaland	3,25,242	3,25,242	284.27	0.00	0.00
25	Orissa	14,16,560	13,98,300	554.09	106.18	19.16
26	Puducherry	40,377	40,377	9.07	4.19	46.20
27	Punjab	2,72,684	2,71,934	77.17	60.90	78.92
28	Rajasthan	65,22,264	65,22,264	4,498.10	1,193.52	26.53
29	Sikkim	54,156	54,156	43.27	4.18	9.66
30	Tamil Nadu	43,73,257	43,73,257	2,390.75	1,412.23	59.07
31	Tripura	5,77,540	5,76,487	460.22	82.97	18.03
32	Uttar Pradesh	56,67,644	54,83,434	3,559.23	2,007.84	56.41
33	Uttaranchal	5,22,304	5,22,304	182.41	47.49	26.03
34	West Bengal	34,89,363	34,79,915	1,551.68	571.93	36.86
<b>TOTAL</b>		<b>5,29 20,154</b>	<b>5,25,85,999</b>	<b>28,359.46</b>	<b>8,644.81</b>	<b>30.48</b>



Employment Generated							
STs	ST participation (%)	Women	Women's participation (%)	Others	Average persondays per household	Number of households availing 100 days of employment	% of HH completed 100 days employment
0.40	6.86	2.62	44.94	5.43	29	657	3
594.80	14.71	2,349.60	58.10	2,451.50	66	13,95,537	23
16.60	97.76	2.92	17.20	0.38	25	276	0
227.36	31.02	203.03	27.70	416.56	34	1,30,457	6
24.57	2.16	341.48	30.04	597.26	28	2,82,797	7
NR	NR	NR	NR	NR	NR	NR	NR
397.85	38.20	512.52	49.21	484.13	51	1,60,851	8
0.70	100.00	0.61	87.14	0.00	19	24	1
NR	NR	NR	NR	NR	NR	NR	NR
0.50	27.03	1.16	62.70	1.25	28	121	2
230.87	39.46	278.19	47.55	267.22	37	1,03,752	6
0.00	0.00	20.55	34.81	27.39	38	8,837	6
24.80	8.70	131.32	46.09	165.10	57	48,283	10
33.64	26.14	8.58	6.67	84.28	38	21,360	6
362.12	42.98	288.53	34.25	345.20	49	1,33,296	8
171.77	8.57	737.07	36.79	1,497.02	57	4,45,930	13
18.11	5.33	299.61	88.20	264.63	36	43,596	5
1.41	100.00	0.53	37.59	0.00	27	20	0
1,189.82	45.34	1,160.54	44.23	949.15	56	6,78,717	14
90.98	33.16	108.80	39.66	113.10	46	22,630	4
131.19	42.85	146.89	47.98	90.70	73	101	0
139.70	94.09	70.08	47.20	8.01	49	13,453	4
170.10	99.86	59.60	34.99	0.22	95	7,059	4
284.27	100.00	123.74	43.53	0.00	87	1,03,436	32
200.91	36.26	200.84	36.25	247.00	40	82,710	6
0.00	0.00	5.76	63.51	4.88	22	385	1
0.00	0.00	20.26	26.25	16.27	28	7,702	3
1,011.87	22.50	3,008.86	66.89	2,292.71	69	15,14,420	23
18.41	42.55	22.17	51.24	20.68	80	12,633	23
59.67	2.50	1,982.09	82.91	918.85	55	7,60,689	17
188.59	40.98	189.12	41.09	188.66	80	2,14,218	37
52.75	1.48	771.34	21.67	1,498.64	65	7,96,929	15
7.37	4.04	73.46	40.27	127.55	35	20,664	4
223.18	14.38	518.62	33.42	756.57	45	72,123	2
<b>5,874.31</b>	<b>20.71</b>	<b>13,640.49</b>	<b>48.10</b>	<b>13,840.34</b>	<b>54</b>	<b>70,83,663</b>	<b>13</b>

**ANNEXURE VII (B): The Mahatma Gandhi NREGA Outcomes: FY 2009-10  
upto March, 2010 (Financial)**

S.No.	States	Financial Outcomes			
		Central Release (in crore)	Total funds available including O. B. (in crore)	Total Expenditure (in crore)	% of expenditure against total available funds
1	Andaman & Nicobar	2.41	16.04	12.26	76.45
2	Andhra Pradesh	3,781.60	5,383.55	4,509.18	83.76
3	Arunachal Pradesh	33.86	42.90	17.26	40.22
4	Assam	778.89	1,424.73	1,033.90	72.57
5	Bihar	1,032.78	2,358.20	1,816.88	77.04
6	Chandigarh	NR	NR	NR	NR
7	Chhattisgarh	827.10	1,629.33	1,322.67	81.18
8	Dadar & Nagar Haveli	0.39	1.97	1.34	67.97
9	Daman & Diu	NR	NR	NR	NR
10	Goa	0.21	12.22	4.70	38.48
11	Gujarat	777.30	981.42	739.38	75.34
12	Haryana	124.00	194.55	143.55	73.79
13	Himachal Pradesh	395.43	623.09	556.56	89.32
14	Jammu & Kashmir	175.69	254.61	185.31	72.78
15	Jharkhand	812.16	1,924.51	1,379.70	71.69
16	Karnataka	2,769.98	3,352.05	2,739.19	81.72
17	Kerala	467.71	591.19	471.51	79.76
18	Lakshadweep	2.00	4.62	2.01	43.60
19	Madhya Pradesh	3,519.24	5,678.23	3,722.28	65.55
20	Maharashtra	249.65	638.75	321.09	50.27
21	Manipur	436.81	511.20	393.17	76.91
22	Meghalaya	211.37	252.29	183.53	72.75
23	Mizoram	276.97	297.05	238.24	80.20
24	Nagaland	562.92	628.65	499.46	79.45
25	Orissa	445.81	976.73	938.98	96.14
26	Puducherry	4.60	11.00	7.27	66.06
27	Punjab	143.18	211.28	149.92	70.96
28	Rajasthan	5,942.64	8,202.73	5,669.03	69.11
29	Sikkim	88.57	102.56	64.09	62.49
30	Tamil Nadu	1,371.19	2,411.32	1,761.23	73.04
31	Tripura	886.36	962.08	729.41	75.82
32	Uttar Pradesh	5,318.87	7,132.68	5,900.04	82.72
33	Uttaranchal	279.60	359.11	283.09	78.83
34	West Bengal	1,787.29	2,408.54	2,108.98	87.56
<b>TOTAL</b>		<b>33,506.61</b>	<b>49,579.99</b>	<b>37,905.23</b>	<b>76.45</b>

Financial Outcomes					
Expenditure on wages (in crore)	% of expenditure on wages	Expenditure on material (in crore)	% of expenditure on material	Administrative expenditure (in crore)	% of administrative expenditure
8.39	97.34	0.23	2.66	3.65	29.74
3,715.11	86.20	595.01	13.80	199.06	4.41
11.66	71.06	4.75	28.94	0.85	4.91
637.36	63.75	362.43	36.25	34.11	3.30
1,108.73	63.26	643.84	36.74	64.31	3.54
NR	NR	NR	NR	NR	NR
856.70	67.22	417.85	32.78	48.12	3.64
0.79	64.92	0.43	35.08	0.13	9.47
NR	NR	NR	NR	NR	NR
1.75	61.05	1.12	38.95	1.83	38.97
522.49	73.10	192.32	26.90	24.57	3.32
89.07	64.63	48.75	35.37	5.74	4.00
312.14	58.67	219.84	41.33	24.58	4.42
120.06	66.62	60.16	33.38	5.10	2.75
823.04	61.66	511.83	38.34	44.83	3.25
1,723.04	63.77	978.99	36.23	37.16	1.36
409.54	91.58	37.68	8.42	24.29	5.15
1.58	88.39	0.21	11.61	0.22	11.16
2,196.24	60.83	1,414.35	39.17	111.70	3.00
258.58	84.40	47.78	15.60	14.74	4.59
237.80	63.78	135.05	36.22	20.32	5.17
117.22	66.71	58.48	33.29	7.82	4.26
177.83	78.48	48.75	21.52	11.66	4.90
292.29	61.73	181.21	38.27	25.95	5.20
586.72	64.76	319.28	35.24	32.99	3.51
6.898	100.00	0	0.00	0.37	5.10
95.30	66.72	47.54	33.28	7.09	4.73
3,930.48	70.77	1,623.48	29.23	115.07	2.03
41.29	67.65	19.74	32.35	3.05	4.76
1,710.82	100.00	0.00	0.00	50.41	2.86
462.80	65.43	244.49	34.57	22.12	3.03
3,541.23	62.22	2,149.95	37.78	208.86	3.54
180.46	66.26	91.90	33.74	10.73	3.79
1,401.93	69.09	627.06	30.91	79.99	3.79
<b>25,579.32</b>	<b>69.77</b>	<b>11,084.49</b>	<b>30.23</b>	<b>1,241.42</b>	<b>3.28</b>

**ANNEXURE VII (C): The Mahatma Gandhi NREGA Outcomes: FY 2009-10  
upto March, 2010 (Physical: Assets)**

S. No.	States	Assets Created					
		Rural Connectivity		Flood Control and Protection		Water Conservation and Water Harvesting	
		Taken up	Completed	Taken up	Completed	Taken up	Completed
1	Andaman & Nicobar	95	79	129	113	167	89
2	Andhra Pradesh	43,436	15,616	6,442	4,367	3,44,116	1,87,625
3	Arunachal Pradesh	585	340	221	162	117	21
4	Assam	12,757	5,661	2,803	1,309	1,415	492
5	Bihar	52,888	32,426	8,400	5,212	15,188	8,698
6	Chandigarh	NR	NR	NR	NR	NR	NR
7	Chhattisgarh	25,939	12,552	648	331	8,652	5,368
8	Dadar & Nagar Haveli	36	17	9	4	1	1
9	Daman & Diu	NR	NR	NR	NR	NR	NR
10	Goa	147	102	136	73	14	10
11	Gujarat	11,515	6,799	5,336	2,858	2,27,248	2,22,699
12	Haryana	2,601	1,372	298	163	2,123	1,184
13	Himachal Pradesh	25,911	14,207	7,662	4,283	8,737	5,426
14	Jammu & Kashmir	10,321	6,335	6,752	4,446	2,767	1,926
15	Jharkhand	33,139	17,632	646	229	50,686	19,286
16	Karnataka	56,122	10,370	35,961	7,737	94,371	22,156
17	Kerala	6,387	2,618	50,487	28,033	14,767	6,778
18	Lakshadweep	0	0	1	0	633	86
19	Madhya Pradesh	61,129	21,145	4,000	1,605	54,308	18,797
20	Maharashtra	2,545	356	801	346	14,314	7,305
21	Manipur	3,602	2,904	3,813	3,342	1,495	1,109
22	Meghalaya	4,584	2,693	362	251	1,985	1,391
23	Mizoram	2,539	2,004	3	3	128	121
24	Nagaland	2,204	1,162	613	462	3,247	1,600
25	Orissa	67,436	11,835	1,023	228	40,858	3,512
26	Puducherry	0	0	0	0	0	0
27	Punjab	3,614	1,887	421	309	332	232
28	Rajasthan	53,008	19,909	2,969	787	29,116	10,935
29	Sikkim	356	180	215	93	258	197
30	Tamil Nadu	12,179	4,837	273	143	6,626	2,599
31	Tripura	39,041	12,119	2,524	748	40,611	10,398
32	Uttar Pradesh	1,66,490	1,05,596	22,377	13,981	85,327	57,823
33	Uttaranchal	1,803	1,409	7,828	5,118	15,043	10,295
34	West Bengal	62,057	40,860	12,558	9,218	33,340	21,674
<b>TOTAL</b>		<b>7,64,466</b>	<b>3,55,022</b>	<b>1,85,711</b>	<b>95,954</b>	<b>10,97,999</b>	<b>6,29,833</b>



Assets Created							
Drought Proofing		Micro Irrigation Works		Provision of Irrigation facility to Land Owned by		Renovation of Traditional Water bodies	
Taken up	Completed	Taken up	Completed	Taken up	Completed	Taken up	Completed
2	2	40	26	0	0	2	1
37,229	21,100	1,30,237	75,321	1,51,461	48,839	88,078	35,320
101	6	232	65	44	0	31	3
1,332	540	917	248	201	28	727	283
50,471	7,591	10,912	6,649	2,912	1,495	12,819	7,689
NR	NR	NR	NR	NR	NR	NR	NR
5,150	2,287	3,308	1,665	16,755	10,143	12,513	7,624
0	0	0	0	0	0	0	0
NR	NR	NR	NR	NR	NR	NR	NR
0	0	7	0	4	0	43	28
9,673	4,232	858	334	15,148	3,645	6,295	3,748
228	185	543	289	13	7	825	416
1,291	798	6,131	3,506	2,716	1,401	4,450	2,906
318	270	3,972	2,165	534	315	1,645	1,123
2,642	1,414	2,226	921	40,838	18,033	9,442	5,510
79,623	15,403	42,704	9,534	89,673	24,555	35,012	6,190
5,571	3,040	17,993	9,356	4,286	3,008	24,977	12,696
1,511	1,444	0	0	0	0	100	93
87,982	18,504	8,368	2,980	2,30,355	1,26,816	11,011	5,017
2,807	602	279	40	1,611	611	1,351	552
2,218	1,938	869	609	126	0	365	299
1,108	937	361	237	12	11	569	374
257	257	10	2	1	0	5	5
773	693	745	679	82	69	295	262
7,794	790	1,835	262	25,113	1,391	46,093	6,070
14	14	0	0	0	0	903	878
1,427	877	625	510	1	1	3,765	1,558
8,830	2,118	6,872	2,718	73,740	46,008	22,580	7,811
880	780	141	58	0	0	29	5
0	0	8,957	3,880	0	0	25,929	9,433
11,791	1,483	14,582	5,259	1,387	672	16,416	2,313
23,932	16,192	19,042	13,059	1,06,722	68,472	45,241	28,391
4,232	2,461	4,040	2,653	818	506	1,646	1,241
15,042	9,927	12,491	8,630	8,309	4,805	23,201	14,923
<b>3,64,229</b>	<b>1,15,885</b>	<b>2,99,297</b>	<b>1,51,655</b>	<b>7,72,862</b>	<b>3,60,831</b>	<b>3,96,358</b>	<b>1,62,762</b>

**ANNEXURE VII (C): The Mahatma Gandhi NREGA Outcomes: FY 2009-10  
upto March, 2010 (Physical: Assets) Continued..**

S. No.	States	Assets Created			
		Land Development		Any Other activity approved by MoRD	
		Taken up	Completed	Taken up	Completed
1	Andaman & Nicobar	68	44	8	0
2	Andhra Pradesh	2,24,081	1,44,485	0	0
3	Arunachal Pradesh	121	21	53	53
4	Assam	2,235	839	5	3
5	Bihar	4,886	2,575	429	290
6	Chandigarh	NR	NR	NR	NR
7	Chhattisgarh	20,319	12,631	0	0
8	Dadar & Nagar Haveli	0	0	0	0
9	Daman & Diu	NR	NR	NR	NR
10	Goa	115	86	4	1
11	Gujarat	2,773	2,224	17,871	17,112
12	Haryana	823	406	251	41
13	Himachal Pradesh	4,800	2,880	775	492
14	Jammu & Kashmir	3,082	2,066	35	15
15	Jharkhand	21,003	12,566	191	176
16	Karnataka	1,05,184	27,069	28,405	6,603
17	Kerala	23,455	10,585	1,185	709
18	Lakshadweep	1,050	1,000	0	0
19	Madhya Pradesh	98,157	49,755	0	0
20	Maharashtra	1,191	801	27	0
21	Manipur	1,135	772	518	518
22	Meghalaya	464	340	670	115
23	Mizoram	351	306	36	36
24	Nagaland	844	663	20	7
25	Orissa	2,273	85	7,197	838
26	Puducherry	0	0	0	0
27	Punjab	1,210	649	441	361
28	Rajasthan	6,077	1,965	55	0
29	Sikkim	258	119	0	0
30	Tamil Nadu	42	17	2	0
31	Tripura	38,802	12,151	16,846	3,281
32	Uttar Pradesh	54,936	42,583	23,295	14,391
33	Uttaranchal	1,515	968	48	26
34	West Bengal	16,478	11,814	24	7
<b>TOTAL</b>		<b>6,37,728</b>	<b>3,42,465</b>	<b>98,391</b>	<b>45,075</b>

Total Works Taken up	Total Works Completed	% of Works Completed
511	354	69.3
10,25,080	5,32,673	52.0
1,505	671	44.6
22,392	9,403	42.0
1,58,905	72,625	45.7
NR	NR	NR
93,284	52,601	56.4
46	22	47.8
NR	NR	NR
470	300	63.8
2,96,717	2,63,651	88.9
7,705	4,063	52.7
62,473	35,899	57.5
29,426	18,661	63.4
1,60,813	75,767	47.1
5,67,055	1,29,617	22.9
1,49,108	76,823	51.5
3,295	2,623	79.6
5,55,310	2,44,619	44.1
24,926	10,613	42.6
14,141	11,491	81.3
10,115	6,349	62.8
3,330	2,734	82.1
8,823	5,597	63.4
1,99,622	25,011	12.5
917	892	97.3
11,836	6,384	53.9
2,03,247	92,251	45.4
2,137	1,432	67.0
54,008	20,909	38.7
1,82,000	48,424	26.6
5,47,362	3,60,488	65.9
36,973	24,677	66.7
1,83,500	1,21,858	66.4
<b>46,17,032</b>	<b>22,59,482</b>	<b>48.9</b>









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# 2

## Discussion Paper

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